

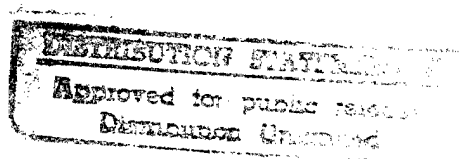
076043

JPRS 82679

19 January 1983

West Europe Report

No. 2090



19980320 134

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

9
163
Aφ8

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

19 January 1983

WEST EUROPE REPORT

No. 2090

CONTENTS

THEATER FORCES

FEDERAL REPUBLIC OF GERMANY

- SPD Experts Voice Misgivings About Nuclear Deterrent
(DER SPIEGEL, 27 Dec 82)..... 1

FRANCE

- Mitterrand's Defense Policy as Shown by His 1981, 1982
Statements
(Philippe Forget; DEFENSE NATIONALE, Dec 82)..... 4
- Hernu Stresses Nuclear Force in Face of U.S., USSR
Strategies
(Charles Hernu; DEFENSE NATIONALE, Dec 82)..... 18

ITALY

- Text of Defense Minister's Report on Armed Forces
(Lelio Lagorio; ITALIA INTERNAZIONALE, Oct 82)..... 28

NETHERLANDS

- Poll on Attitudes Toward Defense, Nuclear War, INF
(F. A. Hoogendijk, ELSEVIERS MAGAZINE, 4 Dec 82)..... 41

TERRORISM

FEDERAL REPUBLIC OF GERMANY

- Berlin Police Cadets Found To Be Members of Neo-Nazi Groups
(DER SPIEGEL, 27 Dec 82)..... 55

GREECE

Political Overtones Seen in Recent Bandit Incident (TO VIMA TIS KYRIAKIS, 19 Dec 82).....	58
--	----

ENERGY ECONOMICS

FINLAND

Country's Largest Peat-Power Plant To Be Built in Jyvaskyla (HELSINGIN SANOMAT, 1 Dec 82).....	60
Briefs	
EIB Energy Loans	62

ECONOMIC

BELGIUM

De Croo on Problems of Economic, Political Reform (Herman De Croo Interview; KNACK, 10 Nov 82).....	63
--	----

DENMARK

Labor Demand for 35 Hour Week Threatens Schluter Policies (Kerstin Sedvallson; DAGENS NYHETER, 10 Dec 82).....	70
---	----

FRANCE

Oil Shocks Affect Port of Bordeaux (Gerard Larpent; LES ECHOS, 26 Nov 82).....	73
Traffic at Port of Marseille Decreases 4 Percent (Paul Anglezi; LES ECHOS, 24 Nov 82).....	76
Briefs	
Port Receives 14.4 Million	79
New Cars for Antilles	79

GREECE

Tax Evasion Statistics Point To Extent of Problem (I KATHIMERINI, 15 Dec 82).....	80
Briefs	
Unemployment Figures	82

TURKEY

Ulagay Eyes Impact of Private Sector Demands (Osman Ulagay; CUMHURIYET, 15 Nov 82).....	83
Eczacibasi Interviewed on Future of Business (Nejat Eczacibasi Interview; CUMHURIYET, 28 Nov 82).....	85
Uncertainties Spark Renewed Consumption Over Savings (CUMHURIYET, 27 Nov 82).....	91
Rationale of Price Hikes for Healthy Economy Questioned (Osman Ulagay; CUMHURIYET, 29 Nov 82).....	93
Economy Reviewed in Light of Referendum (Editorial; DUNYA, 15 Nov 82).....	95

POLITICAL

INTERNATIONAL AFFAIRS

Briefs	
Nordic Communists Demand 'Zone'	97

CYPRUS

Comments on Meeting Between Archbishop, President (I SIMERINI, 10 Dec 82, O AGON, 12 Dec 82).....	98
Unbridgeable Gap Reported Dialogue Should Continue	
AKEL Seen Preventing DIKO To Move Toward West (Editorial; O AGON, 15 Dec 82).....	100
PAME Communique Rejects Cooperation With AKEL-DIKO (I SIMERINI, 13 Dec 82).....	102
EDEK Accused of Seeking Greek Protection (KHARAVGI, 13 Dec 82, TA NEA, 16 Dec 82).....	103
PASOK Seen 'Crutch' Charge Rejected	
Briefs	
Improper Electoral Campaign Reported	105

FEDERAL REPUBLIC OF GERMANY

Prospects for FDP, Liberal Splinter Groups Considered (DER SPIEGEL, 6 Dec 82).....	106
New Groups Weaken FDP 'Liberal Democrats' Leader Interviewed, Ulrich Krueger Interview	

FINLAND

President Koivisto Addresses USSR Plant Ceremony (PRAVDA, 9 Dec 82).....	111
'PRAVDA' Reports Koivisto 10 December Dinner Speech (PRAVDA, 11 Dec 82).....	114
Center Party Issues Its Election Campaign Platform (HELSINGIN SANOMAT, 15 Dec 82).....	118
SKDL Would Cut Defense Funds From Budget (HELSINGIN SANOMAT, 17 Dec 82).....	120
Stalinist Organ Complains of Central Committee Firings (TIEDONANTAJA, 14 Dec 82).....	121
Briefs	
World Youth Festival	125
Communist MP: Include Baltic in 'Zone'	125

GREECE

Details, Attendance at KKE Congress Provided (RIZOSPASTIS, 15, 18 Dec 82, TA NEA, 13 Dec 82).....	126
Congress Attendance Membership Statistics Greek-Soviet Friendship Farakos Speech	
Foreign Delegations Attending KKE Congress Listed (Editorial Report).....	131
Briefs	
Scientific Cooperation With USSR	134

TURKEY

Ulman Urges Greek Awakening on Cyprus Issue (Haluk Ulman; DUNYA, 1, 6 Dec 82).....	135
---	-----

MILITARY

FEDERAL REPUBLIC OF GERMANY

Peace Movement Seen Influencing Defense Concepts (Hans Heinrich Winckler; EUROPÄISCHE WEHRKUNDE, Sep 82).....	139
---	-----

FINLAND

Paper Discusses Sorsa Stand on Security Policy (Editorial; HELSINGIN SANOMAT, 17 Dec 82).....	144
--	-----

FRANCE

Thomson Division Conducts R & D for Military Applications (ELECTRONIQUE ACTUALITES, 12 Nov 82).....	146
--	-----

SFENA Develops Data Acquisition Unit for Navy (ELECTRONIQUE ACTUALITES, 26 Nov 82).....	149
--	-----

Sintra Alcatel Develops Submarine Equipment (ELECTRONIQUE ACTUALITES, 26 Nov 82).....	150
--	-----

Details Provided on Cyprus Military Maneuvers (EIKONES, 4-17 Dec 82).....	153
--	-----

SPD EXPERTS VOICE MISGIVINGS ABOUT NUCLEAR DETERRENT

Hamburg DER SPIEGEL in German 27 Dec 82 pp 23-24

[Article: "Internal Inhibitions--Social Democrats Wonder Whether the Federal Republic Can Be Defended Solely With Conventional Weapons in the Future"]

[Text] With recognizable doubt, the SPD candidate for chancellor approached a delicate subject. At the risk of being considered oldfashioned, Hans-Jochen Vogel said when touching base with the Bundeswehr [Federal Armed Forces] last week, he had to admit that he simply could not imagine women in uniform. He was not familiar with warfare only as a sandtable exercise or as a combat exercise, Vogel explained (he had been a soldier during the last couple of years of the world war), and added: "I have considerable reservations concerning women in the Bundeswehr."

The present-day soldiers, encouraged to open discussion by their divisional commander in Unna, listened in amazement to the candidate for chancellor.

For Vogel the NATO double decision, for example, which provides the stationing of new U.S. Pershing II missiles in Europe in case the Geneva disarmament talks fail is neither a military-technological nor a political dogma.

As far as he was concerned, Vogel told a captain, nuclear weapon; contrary to what Adenauer had said, were not modern artillery, for they killed not only individuals but could extinguish all life on our planet. Said Vogel: "My internal inhibitions vis-a-vis a nuclear arms race are increasing all the time."

And Vogel utterly amazed his audience when he encouraged both generals and grenadiers to participate in the debate about alternative defense strategies, saying: "For me that is a quite normal procedure."

This debate has been conducted in his party long since, though not publicly. Under the direction of Egon Bahr, seven SPD experts are searching for a concept making it possible for the Federal Republic to be defended without nuclear weapons. It is to be submitted to the special SPD congress next fall.

The first results resemble the ideas of the NATO supreme commander in Europe, Bernard Rogers. The U.S. general would like to use new conventional weapons to hit an enemy where it hurts most.

In case of conflict, the attacker is to be warded off not only near the border but is to be disrupted in the deployment of his reserves, the so-called second echelon. Razor-sharp missiles and explosives seeking out their target (so-called fire-and-forget weapons), according to Rogers, are to destroy tanks, depots, railroad stations, traffic junctions, airports, bridges and headquarters in Poland, Czechoslovakia and the western Soviet Union and thus, in Rogers' words, "paralyze the enemy's impetus of attack."

This concept, which meanwhile has received the approval of NATO defense ministers, is not to forgo nuclear weapons as a final resort, however. Employment of these "suicidal weapons" (Vogel's description) is not to be rejected, let alone banned, as a matter of principle, but is only to be delayed.

Frightened by the peace movement, the Christian Democrats now in power had reached a similar conclusion in a comprehensive study as early as May.

The present defense minister, Manfred Woerner, like Rogers, pleads for one-as-well-as-the-other: He wants to promote the development of new conventional weapons through higher budget allocations for research and development but retain the nuclear warheads being kept under U.S. lock and key.

The demand that NATO renounce the first use of nuclear weapons is countered by Woerner with the remark that this is neither necessary nor possible. NATO is and remains defensive, Woerner says; "in other words, it consciously renounces the first use of any and all weapons."

The eight defense experts of the SPD, basing themselves on Rogers and an earlier Woerner, would like to become more explicit and forgo nuclear weapons altogether.

Erwin Horn, member of the SPD Strategy Committee and deputy chairman of the Defense Committee, is even convinced that this aim can be reached without expanding the Bundeswehr and without a great deal of additional defense expenditure.

From a study trip through the United States, he brought back the realization that the new conventional weapons are already passing the drafting-board stage. Since many military people have difficulty rethinking the matter, the politicians now have to decide, he says. "The nuclear risk is hardly tolerable any longer," and therefore one must not allow the "insuring of peace through nuclear deterrence to become a lasting state of affairs."

Horn quotes one of the few thinkers among the German military, future Inspector General Wolfgang Altenburg, as saying: "We should now bother less about big equipment than about more effective munitions installations." Thus antitank defense could be especially improved and expanded with highly target-accurate fire-and-forget weapons.

Among the SPD Strategy Committee members, however, Horn has not only met with enthusiasm for his ideas; though very quick agreement was reached on the principle that the Bundeswehr had to be armed in a "recognizably defensive manner," there were considerable objections when it came to deliberations about details.

The big fear is that a defense based solely on conventional weapons entails the danger that war is regarded as "less evil" and therefore as something that can be engaged in, particularly from the U.S. point of view. It was possible, however, for the Federal Republic to be utterly destroyed by conventional weapons in a matter of a few days.

Egon Bahr, the SPD disarmament expert, moreover is plagued by the fear that a further development of conventional weapons as well could trigger a new armament race.

Bahr says one has to insure that nonnuclear weapons are clearly identified by the other side and do not lend themselves to being mistaken for nuclear ones. "Is that verifiable?" he asks; "if not, I cannot give my approval."

Candidate for chancellor Vogel nevertheless hopes that Bahr's Strategy Committee will be able to complete its work and submit it to the public early in the new year--in time to make it possible to portray the SPD to the electorate as an antinuclear party concerned for peace.

8790

CSO: 3620/147

MITTERRAND'S DEFENSE POLICY AS SHOWN BY HIS 1981, 1982 STATEMENTS

Paris DEFENSE NATIONALE in French Dec 82 pp 125-143

[Article by political scientist Philippe Forget: "French Defense Policy Based on the Statements of Francois Mitterrand"]

[Text] Philippe Forget, presently a driver in the 1st Supply Services Regiment, has been a political-science researcher in the European University Institute of Florence. He is a doctor in political philosophy and holds a DEA [Advanced Studies Degree] in political science (defense policy). Several articles of his have been published in the "strategic" review published by the foundation for national-defense studies.

The author has endeavored to set out the president of the republic's thinking as regards the defense policy of France, through the many statements that he has made since his election.

Responsible for the destiny of the nation, the president of the republic defines the defense policy of France. This policy does not seem to be for Francois Mitterrand a particular policy, close to other public decisions. It is inspired by the implementation of an historic design for France, and falls within an overall plan nourished by the fundamental principles of French socialism. "I have chosen," the president has said, "with others, to place France in the forefront of the industrial nations, as the initiator of a new type of development."¹

The president rejects the idea of France's becoming a nation turned in on itself; it must struggle for the emergence of a new world founded on the values of liberty, justice and solidarity. International relations must be directed toward respect for human rights and the right of the peoples to order their own lives. One of the first tasks that the president of the republic set himself was to see to it that the defense policy of France is guided by these principles.

Like all other peoples, the French people have a right to security. This security requires lucid perception of the threats that hang over the liberty of France and the peace of the world. President Francois Mitterrand has firmly resolved that France, rallying around a great design, should be able to cope

with any military challenge and remain faithful to its commitments, while at the same time being in the vanguard of the world combat for peace. Yet it is necessary to know whether the means envisioned for fulfilling these objectives strengthen the independence of France.

Perception of the Threats

On 13 July 1981, in a message addressed to the armed forces, the president of the republic declared: "France has committed itself to a new approach that will enable it to work for the maintenance of peace. But it lives in a troubled world in which its security, its independence and its liberty can be threatened at any moment."² Now peace is presently threatened by the evolution of the relationship of East-West forces. In effect, world peace depends closely on maintenance of strategic parity between the two great powers. If one of them were to achieve military superiority over the other, it might be tempted to put such superiority into action, and it seems that the USSR is on the way to achieving, in the area of nuclear forces, a capacity giving it superiority in the European theater and a slight advantage over the United States in intercontinental means. The president has clearly informed the French about this evolution, saying: "I then noted that on the level of conventional weapons, the USSR has an enormous advantage in Europe, that on the level of tactical nuclear weapons it has a real advantage, and that on the level of strategic nuclear forces, it will enjoy a certain superiority starting from the years 1985-1986."³

The president of the republic considers that this evolution of Soviet armament is increasing the risks of war insofar as the desire for peace that animates the Soviet leaders could give way to more belligerent political decisions on the part of new generations in power. The president therefore fears that the ruling class of the USSR may one day no longer be capable of controlling politically the formidable power that would be at its disposal: "I do not attribute any aggressive intention to the Soviet Union, no bellicose intention. I am simply saying that the time is approaching when new generations will not have known it (war), and I do not want the mere ratio of forces to be so imbalanced at that time that war would result from the situation."⁴

It is obviously in Europe that the imbalance of forces is most flagrant. But also in Europe, would a strike by SS-20's against NATO objectives be "surgical," in view of the urban fabric of West Europe? It would involve the death of American soldiers and therefore a probable counterstrike by the United States, triggering of escalation with the end-prospect of a mutual holocaust. However, this series of questions is itself based on the judgment of an impossibility of controlling this escalation.

If one reasons in terms of mutual assured destruction, of global deterrence, the United States and its allies of the Atlantic Pact have a sufficiently big second-strike capacity to deter the potential aggressor, and so talk about an imbalance of forces loses its pertinence. On the other hand, if one reasons in terms of control of the escalation, of selective counterstrike, it seems that the Soviets, for the present period, could dominate such a process to their political advantage. Whence President Mitterrand's legitimate fear that new So-

viet leaders might one day be tempted to abuse their force. This fear is all the more justified in that the two great powers are coming more and more into agreement on abandonment of a policy of deterrence by mutual assured destruction, to replace it with a defense policy founded on nuclear initiative.

But it is not so much an imbalance of forces in itself that threatens peace as the "cultural" context into which it falls. If the Soviets ever attack the Atlantic Alliance, they will do so because the communication established with the United States will indicate to them that an escalation to the extremes has gone out of the picture, that nuclear war could "pay." In this regard, the responsibility of the two great powers is a shared one, since both of them talk in a first-strike rhetoric that takes all validity away from the talk about deterrence. Rationalization of nuclear exchange therefore presents the risk of resulting in the unreasonable, whereas the irrationality of a nuclear convulsion forced one into the reasonable.

The North-South axis is also at the center of the strategic thinking of the president of the republic. France is linked, by its history, to many Third World countries. The political stability of these countries is often fragile because of the youth of the states or difficulty in mastering their development. Interference by the great powers only aggravates the local conflicts and undermines the stability of the international scene.

Now France needs a stable and diverse world in order to preserve its independence and cultivate its identity. A world thoroughly eroded by the logic of the blocs would restrict its space of freedom. Thus the president thinks that the security of France is threatened when the two great powers transform the Third World into a closed field for their rivalry, thus thwarting the right of the peoples to order their own lives. The president details his thought as follows: "I add that when regional conflicts or illicit occupations occur... wherever a conflict drags on forever, it is confrontation by the two most powerful that is prepared for, and the final decision escapes those who live in the region."⁵

The Security of France and the Strategy of Deterrence

The arms race between the two great powers is continuing, forcing France to go on with its armament effort. In the face of the deployment of new Soviet weapons, it is led to keep on modernizing its defense potential continually in order to ensure its independence. This independence is founded essentially on the nuclear force that the president intends to preserve: "But the choices of my people must be respected. It is now a quarter of a century since those choices were made, against my feelings. But it is also for a quarter of a century now that the defense of France has rested on this form of armament. I mean to say that if it were to disappear, nothing would remain of the means for defense of my country."⁶

Maintenance of a credible nuclear force is the sine qua non for the independence of France and of the citizens' will for defense. The chief of state notes that pacifism and neutralism affect the non-nuclear powers more than the others: "It is easier for the public opinion of the countries that have a nu-

clear force to be sheltered from crises of this kind than is the case for the countries that do not have it and who feel prey to the decisions of others."⁷ The nuclear force that France possesses is thus the instrument and evidence of the will of the French people to reject all foreign domination and to fight for their liberty.

It is therefore necessary for the potential aggressor to understand that the French will oppose with all their military means the conquest of their country and violation of their material and moral interests in the world. From the moment that France considers that its existence as a state is threatened, it will not negotiate its independence and the freedom of its citizens. The political sovereignty of France is not up for bargaining. Therefore, there could be no graduated character in its counterstrike. The president of the republic declares clearly: "The national territory will be defended against all aggression with all the means at our disposal. They are not the means for a graduated defense."⁸

The president, who considers himself "accountable for the security of his country,"⁹ is determined to repel any aggression against the homeland. He is resolved to wage a defensive war and to escalate to the extremes if that must be done in order to save the nation. He is working for peace, but he is not, for all that, inclined to flee the challenge of war if an aggressor imposes it on France: "It is necessary for the entire world to understand the resolve of the president of the French Republic, (that he) will seek out absolutely every opportunity to preserve peace, but (that he) must also know how to take on his responsibilities, which are those of life or death, of peace or war."¹⁰ But in the event of conflict, the use of nuclear firepower cannot be made the subject of disputes. It is up to the chief of state, who is the only one to decide the matter and who must then cut the Gordian knot.

The destructive power of nuclear weapons is such that a potential aggressor must expect frightful destruction if he tackles France. It would not be rational for him to risk such an undertaking, in view of the damage he would suffer. The conquest of France is not justified in relation to the cost to be paid by the potential aggressor. That is why the military strategy of France is not an offensive strategy, but a strategy of deterrence that is aimed at inhibiting any desire that the enemy might have to attack its vital interests: "France has neither the intention nor the desire to destroy anyone whomsoever. It has only defensive intentions, but it must have at its disposal, in this 'weak against strong' relationship, the means of deterrence that prevents anyone from hoping to be able to dispose of France without suffering such damage that it would be a better idea to renounce war."¹¹

The president has affirmed his personal resolve to conduct the defense of France through to the end, as the situation may require. Furthermore, it is important to keep France's nuclear power at a sufficient threshold, in order for it to be credible. Thus the chief of state has made himself the guarantor of the continuity of the nation's defense effort. France is going on with modernization of its nuclear potential, so as to possess means formidable enough to prevent the possible aggressor from hoping for a sufficient political-strategic gain after an attack against the country. The president takes on this

modernization effort completely: "I will pursue this task no matter what the difficulties, because the main thing for me and for all those who contribute to my action is to ensure the independence of my country."12

President Francois Mitterrand is determined to maintain the threshold of credibility, by starting construction of the second-strike weapons that the SNLE's [Missile-Launching Nuclear Submarines] constitute: "France, as regards its own defense, has decided to provide its strategic deterrent force, and that is why I have taken the decision to build the sixth nuclear submarine and to start construction of the seventh."13

This policy of deterrence falls within the framework of continuity, but the president's intention becomes more uncertain when he takes up the problem of the neutron weapon. He does not rule out the possibility of one day taking the decision to produce that weapon, but he appears to adopt the following arguments:

- it is obviously out of the question for the choice by France on construction and deployment of this weapon to be determined by foreign pressures;
- this bomb is morally no more condemnable than any other engine of death, and France has the technical capacities for producing it;
- it would be dangerous to deprive oneself of an advanced-technique weapon with which an adversary could equip itself and which would effectively complement our deterrent potential.

In this regard, the president declares: "I have given instructions for us to adopt a certain number of measures that make it possible to bear comparison with anyone whomsoever if the matter of defending the national territory and our independence should arise: a seventh SNLE; and we have placed ourselves in a position to make the neutron bomb once a decision is taken. We do not tolerate a situation in which, on the European continent, we could one day be exposed to a tragic disproportion of airplanes, of conventional weapons, of course, but also of power in strategic weapons."14

This rejection of disproportion of forces should be understood in its qualitative dimension and not as a desire to reestablish a quantitative balance. What is referred to now is not a different strategic logic--that of equality of forces--but still rather a logic of the cost/benefit ratio that the adversary must calculate. Our deterrent capacity is minimal and sufficient, and it is not to be judged in accordance with the capacities of a superpower, which are based on a concern to control escalation. The neutron weapon is useful for a great power, who in that way manifests his will to practice an antiferces strategy. It could be useful for France as a last-warning weapon. But if the decision were taken to produce and deploy this weapon in order to wipe out a quantitative disproportion of the conventional and nuclear weapons on European soil, France would be adhering to a strategic concept that is not its own. In such a perspective, deployment of it would no longer have the purpose of underlining our sanctuarization but rather of participating in a European strategic space, of being prepared to wage battle in it. In the event of a conflict in Europe, France would run the risk of seeing its strategic nuclear arsenal de-

stabilized for an unsuitable political-strategic purpose (stakes of a European space without political existence) and thus of weakening the sanctuarization of the national soil.

This does not mean that France should dissociate itself from the security of its partners in the Alliance. In protecting Europe, it protects itself; or rather, in defending itself, it protects Europe within certain limits. But these limits (geostrategic limits, level and type of forces committed) cannot, for now, be exceeded, since the physical and political existence of France cannot be put at risk for a European space that has not provided itself with any political sovereignty and that is not lived in by any European citizen.

A decision to make the neutron weapon has not been taken. If it is one day, that weapon will be limited to a last-warning role, not a battle role.

Honoring International Commitments

By reason of its geostrategic position, the whole of the values that it shares with other peoples, its democratic institutions, France cannot choose neutrality. It is solidly unified with the Western world. This reality has led it to participate in the Atlantic Alliance and to be closely concerned with the security of its European neighbors. President Francois Mitterrand shares and defends the choice of France: "But I belong to the world and to the whole of the forces chosen by my country. I have no intention of changing."¹⁵ This attachment of France to the Western world and to the Atlantic Alliance should not be interpreted, the chief of state specifies, as a possible acceptance of the idea of reentering the integrated military organization. As before, France intends to remain mistress of its political and military decisions. France, a nuclear power, is alone responsible for its existence: "It must be understood that in the last analysis, at the moment of decisive choice, a great country always finds itself dealing with itself alone."¹⁶ Respect for the Alliance requires consultation, solidarity, mutual aid by the allies, but it "does not necessarily oblige us to submit to a command that in fact would be exercised by one only and that would not be ours."¹⁷

With these specifics in mind, France will honor all its commitments vis-a-vis its partners in the Atlantic Alliance. It understands its rights and duties toward them, and it hopes that the converse is true. That is why the president of the republic recognizes the leading role of the United States in defense of the free world and stresses his "great gratitude" toward it and the friendship between the two countries. It is precisely this friendship that obliges the president to say to the United States that it should not confuse alliance with subordination, consultation with obedience, solidarity with economic warfare. The Alliance therefore is not made for protecting the strategic interests of the United States alone, but for ensuring the collective security of the countries of the North Atlantic. The president consequently declares that the Atlantic Alliance acts for a specific geographic zone¹⁸ and that it does not oblige its members to intervene in other zones of the globe for the benefit of one only. The chief of state desires a more democratic functioning of the institutions of the Alliance. The most powerful element of the Alliance carries greater responsibilities, of course, but not to the point of ignoring the opin-

ions of its allies in taking decisions that concern the existence of all. Thus the president affirms that "the Alliance must be understood as the decision-making of the allies and not just as communication by one ally to the others of the decisions that it has taken."¹⁹

The president is also on the alert against the Alliance's meaning the erosion of the political and economic sovereignty of the partners and particularly of France. The trade policy, the energy policy of our country should not be subjected to judgments and advice that are a bit too firm. Thus the trade policy that we are conducting with regard to the USSR is up to the decision of France alone. France evaluates sovereignly the policy that it conducts, and does not recognize a right on the part of anyone else to oversee its decisions. The president is astonished that the Franco-Soviet agreement on gas was so ill-received, that France was pushed into an economic blockade against the USSR, while at the same time economic war between allies continued. The chief of state declares: "This does not keep me from understanding well that France preserves its capacity of choice in all circumstances, and our energy independence is aimed at diversity of supply equipment and materials, or of the countries from which the supply comes. We are masters of this strategy, and we intend to remain so."²⁰

With regard to economic warfare, the president sets out an important point in his thinking here: no defense policy is a "self-contained" domain, separate from the other realities of the nation and of its alliances. It is not acceptable to France for a political-military alliance to be a vehicle for economic domination by the most powerful. Such an attitude weakens the power of the partners, undermines the consensus of the peoples concerned, and in the last analysis, harms the effectiveness of the alliance. "It is difficult," the chief of state declares, "to demand a rigorous and absolute military alliance in which the allies defend their existence together while in the mind of the dear ally, the very dear ally, the feeling prevails that on the level of economic relations, peace does not exist."²¹

Within this alliance, France shares the concerns of its European friends. The Alliance serves the collective security of West Europe, it has been conceived in a defensive spirit, not an offensive one. The Europeans should speak as with one voice in regard to their defense. The building of Europe is an imperative for the president, who considers the future of France and that of Europe to be inseparable. "Of course," he says, "the future of Europe is important to us in the highest degree, and France will contribute tirelessly to any undertaking that will enable the peoples of the Community to strengthen their bonds and to tackle together the challenges present and to come."²² France means to adhere to all the provisions for military information and coordination with its European friends (notably with the FRG), so as to make European construction progress toward a common recovery (it can be deduced from this remark that the president would be favorable to a revival of the WEU [Western European Union]). But France will fulfill its obligations to its European allies while at the same time taking into account the specificity of its nuclear power, animated by a defensive and deterrent will. "There is a sort of incompatibility between a strategy that would consist in organizing forward battle and making the whole of our nuclear forces function for an objective other than the sacred defense of our territory."²³

France also honors its commitments to many Third World countries with which it maintains historic ties. The economic and military assistance that it gives them is the best way to help these countries to peaceful self-development, sheltered from the appetites of the two superpowers. France is thus contributing to the emergence of a multipolar world by means of which Europe will be able to find its autonomy, and the countries of the Third World, a real independence. The president of the republic was thus able to declare to the African chiefs of state: "Your objective is to keep Africa from becoming a closed field for rivalries and clashes of interest foreign to your continent. Such is the point of view of France also."²⁴ Faithful to his concern to preserve the right of the peoples to order their own lives, the president of the republic considers that it is his duty and in the interest of France to support this principle. France will strengthen its independence and expand its space of freedom (and that of Europe) in relation to the blocs to the extent that it proves capable of defending the cause of the oppressed peoples and the sovereignty of their political choices. "France is disposed, in particular and in this spirit, when it corresponds to the decisions of the Organization of African Unity, to lend its aid and provide for the means that will guarantee your sovereignty. It is on these conditions that the principle of noninterference, so often invoked and so often thwarted, will regain its true significance."²⁵

The president of the republic therefore does not conceive of his external policy as an instrument of the status quo. France should found its defense policy on a dynamic vision of international relations. Functional improvement of the Atlantic Alliance, strengthening of the autonomy of the Europeans, and the assistance furnished to the disinherited countries and the oppressed peoples in the spirit of Cancun should contribute to the birth of a plural and peaceful world in which France will have security.

The peoples of the southern zone should have their own, original mode of development. France is prepared to support them in their effort. It is necessary, though, to recognize the difficulty in discerning sometimes the alignment of the experience of an original model with a bloc. The position of France regarding the emancipation of the peoples runs the risk of being reduced to hesitant and fragmented support and laying itself open to criticism from all sides, for lack of having known how to theorize and explain clearly what was an original mode of development within a world whose process of development is still conditioned by the antagonistic models of the East and the West.

Peace through Disarmament

The strategy of deterrence is aimed at avoiding battle; as a strategy of non-war, it is the necessary but not the sufficient condition for promoting peace. The other side of the president's thought on the subject of the security of France is that it will be ensured only if France takes initiatives for reviving the negotiations on disarmament. Disarmament is not, according to the president, mere political control of the military power of the two blocs but should rather have the purpose of graduated and equivalent reduction of their arsenals, with respect for the security of each. "I would like," he says, "disarmament to be understood in other ways than as a slight limitation of overarmament."²⁶

Negotiation is therefore the way to go in order to establish a safe world. But negotiation should not be undertaken at any price whatsoever. It is necessary for the cards to be laid on the table between the two blocs from the start: that is, that there be a strategic parity. Thus the president is led to say: "Our point of view is that peace will result from an equilibrium of forces in the world. Thus when an imbalance appears somewhere, as is the case in Europe today, we think that peace is in danger."²⁷

The balance of forces in Europe therefore constitutes the crucial point for peace or war. Now this equilibrium is jeopardized by the deployment of the Soviet SS-20's that threaten the entire military formation of the Alliance in Europe. "On the level of Europe," the president declares, "I note that the imbalance is flagrant."²⁸ And this inferiority of the Alliance will grow all the more as the Soviets gain, around 1985, superiority over the United States, at the central level. The president has therefore recognized the installation of the Pershing II's and Cruise missiles in Europe as useful. In view of the deployment of the SS-20's, "I thought," the chief of state asserts, "that it was necessary to preserve or reestablish the equilibrium, which led me to approve certain American propositions."²⁹

But the president does not thereby adhere to the American strategic concept. While he supports the United States' rearmament effort, it is in order to persuade the Soviets better to withdraw their SS-20's, under penalty of finding themselves, in turn, in a position of inferiority again. The support that he gives to American rearmament in Europe is only a dialectical phase in the process of disarmament to be undertaken. He wants to get the Soviet leaders to adopt a reasonable line of behavior and to negotiate the withdrawal of their SS-20's. The president therefore does not want a reversal of the ratio of forces in favor of the Western bloc: "The second point is that I do not want the movement to be reversed to the point of reestablishing the superiority of one of the two blocs, or of one of the two superpowers over the other; otherwise, there is disequilibrium, risk of war...."³⁰

Europe and France should not bear the costs of the arms race being run by the two great powers and are not destined to be the site of their confrontations. For a European, the distinction between tactical and strategic makes no sense. What is tactical to the great powers is vital to him, and therefore strategic: "These distinctions seem quite strange to me for a European country that could be destroyed either by tactical weapons or by the strategic forces. In its view, it is all the same. This is our case and it is the case with the FRG."³¹

Francois Mitterrand's firmness toward the USSR is therefore not intended to threaten its security but rather to convince it that if it persists in wanting to take Europe hostage, it will in turn find itself in a position of strategic inferiority with the arrival of the "new forward forces of the American strategic system in Europe."³² There would then be a situation of overarmament on both sides, with the inherent risk of transforming European soil into a battlefield.

In the last analysis, the chief of state approves NATO's decision to reestablish the balance of forces in Europe. He hopes that this firmness by the West

will induce the Soviets to negotiate a real equilibrium in Europe, a "zero point" that would not stop with a mere freezing of the SS-20's. If the USSR proved too "timid" in its disarmament initiatives, it would then find itself facing a rearmed West, including a France solidly united with its allies.

It is logical for the president to want the USSR not to have nuclear superiority in the European theater. New American missiles on European soil would prevent the Soviets from establishing their political primacy in Europe, affecting its security. Nor does this balance of forces rest on a dialectic of second strikes, but rather on the trend toward a first-strike capacity that animates the two superpowers. That is why the balance that the president calls for is not a source of political-strategic stability either, since both sides would have the possibility of disarming by a first strike in the European theater [as published]. Installation of the Pershing II's reestablishes parity of the forces in any eventual escalation between the two great powers, but does not for all that create an absolute stability, the source of peace for the Europeans.

With installation of the American Pershings, the Soviets lose the possibility of exerting blackmail on the Europeans' security, but do not at all lose the possibility of striking the NATO forces first in the event of crisis. And it can even be said that in their perception, the Soviets would find in the presence of the Pershings on the soil of Europe an additional incentive to unleashing a preemptive strike. Supporting installation of the Pershings can be understood if it is desired to inhibit any eventual desire by the Soviets to unleash a conventional conflict in Europe, since the threat of a strike by Euro-missiles could deter them from doing so. On the other hand, NATO's new IRBM's [Intermediate-Range Ballistic Missiles] lose all deterrent character within the framework of an uncontrolled crisis and a conflict by "accident." On the contrary, they appear to incite to war--just as the SS-20's do--since they are perceived by the adversary as an imminent danger; and within the framework of a rationalized conflict, the situation would not be better for Europe either. This situation is theoretically insoluble, and derives from a contradiction in strategic thinking: how to organize and manifest one's power for defensive purposes without being perceived by the adversary as aggressive?

The question becomes even more crucial when the adversaries claim to be defending themselves in deploying offensive weapons. It is therefore important to overcome this situation by creating a practice of peace. It is necessary to know how to define the conditions for the existence of peace. The president of the republic wants to see a point of equilibrium of forces emerge in Europe: "It is necessary for the Soviet Union to understand that the zero point is not the zero point previously referred to by either the one side or the other. The zero point cannot be the mere withdrawal of one type of armament by one side, while nothing is done on the other. The zero point is the force, the power, the range of the weapons, the place where they are located, the controls exercised, which the technicians determine as creating the situation in which the two camps observe one another without having the inclination to attack."³³

Can this objective of a zero point, decisive for the security of the European peoples, be found simply on the basis of a collection of facts, of data that

each bloc has a different perception of? The balance of forces cannot be reduced to quantitative analysis and accounting analysis. In order for it to be accepted by the adversaries, it would be necessary for them to agree to interpret the strategic posture and the whole of the forces of each in a convergent manner. Quite to the contrary, the United States and the USSR both seem to maintain themselves in a "double bind" situation in which the language of deeds (the first-strike race) belies the peaceful talk--a situation which therefore cannot elicit any positive initiative from the other side--an so on and on. Blocked in a communication context that is without any opening-up to the other side, the two great powers are incapable of initiating any true disarmament.

The "zero point" of which the president speaks runs the risk of being only a rhetorical artifice if a metacommunication between the two superpowers that would throw light on their relations and modify them is not developed in parallel with the confidence measures required for control of armaments. And here we get into the role of France in the negotiations on disarmament. They concern above all the two great powers, who direct their respective military blocks; but should France sit down at the negotiating table? There is no question, for the time being, of France's putting its weapons on that table, while the United States and the USSR have not yet begun a true disarmament process and still have an overkill capacity. Immediate participation by France in such a negotiation would be a fool's exercise for it, and would compromise its independence: "Furthermore, we cannot agree to negotiate a part of our nuclear armament, because we would drop below our level and ruin our deterrent capacity."³⁴

On the other hand, if the two great powers were to undertake a real denuclearization of their military potential, France could associate itself in it, being convinced of its successful outcome: "If the Soviet Union and the United States abandon the atomic bomb, I will do so also,"³⁵ the president has indicated.

This rejection of inclusion of the French nuclear forces in the accounting in the negotiations does not mean that France is unconcerned about disarmament. Quite to the contrary, the president wants it to be a mediating element and a force for proposals in this regard, as the minister of defense, Mr Charles Hernu, has stressed in several statements. France adds an element of uncertainty in the strategic calculations of the two great powers; its disturber role in the logic of the blocs can enable it to have a "therapeutic" effect on the behavior of the two adversaries, if it is capable of orchestrating a European voice and producing a new link between the superpowers. In this regard, it would be good for France to take the initiative for a permanent forum in which the "strategic cultures" of the adversaries would be accessible to one another, in which their decision-makers and experts could, on a permanent basis, explain themselves and learn to communicate under the impulse of their colleagues of the other nuclear nations.

France, a defensive and independent nuclear power "that desires disarmament and that has always considered that collective security, disarmament and arbitration are three essential foundations of peace with balance of forces,"³⁶ can therefore have a mover's role in the establishment of a better collective security, by making a lucid and wise voice heard.

Conclusion

To defend France is to defend the French people. The armed forces are the emanation of the nation. The president of the republic knows that the country's security implies the participation of the French. Thus he thinks that national recovery depends also on "a renovated military service" that could "excite energies that have too often flagged."³⁷ The determination of the French alongside that of their president is the pledge of a firm will to resistance against any potential aggressor. The technical capacity of a national defense is as nothing if it is not founded on a solid nation. To know how to defend oneself is also to know how to master oneself. Defense policy implies a parallel effort to acquire internal mastery of the national problems (economic, cultural, technological). Mr Mitterrand is convinced that the approach to defense must be an overall one; in particular, it assumes resolution of the country's economic difficulties: "The independence and security of France derive from its capacity to ensure mastery of its economy, in the same way that they rest on its own defense effort, on respect for its alliances and on the organization of collective security in Europe."³⁸

From this point of view, the sovereignty of France does not appear to operate on the military level only. This represents both a deepening and a broadening of our defense policy. The present government has perceived that the national unity, the sovereignty of country can be eroded, cracked by threats developing at various levels (cultural, economic, etc) of the social activity of the collectivity.

This policy of /multidimensional/ defense requires a total strategy that should be organized urgently so as to mobilize the forces of France. This strategy must be based on forward-looking studies aimed at identifying the threats, ranking them, and calculating the importance of the decisions taken in function of our vulnerabilities and our areas of force. This strategic, prospective--in a word, scientific--coordination of sectorial policies will make it possible to reduce on all levels the superpowers' capacity for coercion of our country and will broaden the field of France's destiny. What is involved is a fight for the mastery of our future.

In endeavoring to increase its space for political and economic liberty peacefully, France is also showing to the peoples who want to live free that they can follow a new path to strengthen their positions in the international fabric of interdependencies.

FOOTNOTES

1. Press conference of 24 September 1981, in the Elysee.
2. Message to the armed forces, 13 July 1981.
3. Televised talk with Michele Cotta, 9 December 1981.
4. Press conference in the Elysee, 24 September 1981.

5. Press conference with the journalists of the Japanese Press Association, Tokyo, 16 April 1982.
6. Speech to the Danish Parliament, Copenhagen, 29 April 1982.
7. Interview in the American magazine TIME, 12 October 1982.
8. Press conference, Elysee, 29 April 1982. These means are the foundation of what the president, on the occasion of his press statement at Canjuors on 15 October 1982, called overall deterrence: "But in my mind, deterrence can only be overall. And I do not think that one can separate, in reasoning and in action, the nuclear force as such from a number of elements outside which it would find itself isolated.... The Army's nuclear force is intimately associated with the strategic and deterrent handling of the whole of our armed forces."
9. Speech to the Danish Parliament, 29 April 1982.
10. Interview on the BBC, 8 September 1981.
11. Speech to the Danish Parliament, 29 April 1982.
12. Idem.
13. Interview in TIME.
14. Elysee press conference, 9 June 1982.
15. Elysee press conference, 9 June 1982.
16. Idem.
17. Speech to the Ubersee Club at the Hamburg Chamber of Commerce, 14 May 1982.
18. Idem.
19. Idem.
20. Idem.
21. Idem.
22. Press conference, Elysee, 24 September 1981.
23. Idem.
24. Address at the opening of the Conference of Chiefs of State of France and Africa, 3 November 1981.
25. Idem.

26. Speech to the Ubersee Club at the Hamburg Chamber of Commerce, 24 May 1982.
27. Press conference with the journalists of the Japanese Press Association, Tokyo, 16 April 1982.
28. Speech at the Hamburg Chamber of Commerce.
29. Televised talk with Michele Cotta, Elysee, 9 December 1981.
30. Televised talk with Michele Cotta.
31. Speech at the Hamburg Chamber of Commerce.
32. Idem.
33. Speech to the Hamburg Chamber of Commerce.
34. Press conference, Elysee, 24 September 1981.
35. Speech to the members of the Diet of Tokyo, 16 April 1982.
36. Talk with French journalists at the Akasaki Palace, Tokyo, 16 April 1982.
37. Interview in the newspaper LE MONDE, 2 July 1981.
38. Report to the press by Mr Beregovoy on the Council of Ministers meeting of 27 January 1982.

11267

CSO: 3519/198

HERNU STRESSES NUCLEAR FORCE IN FACE OF U.S., USSR STRATEGIES

Paris DEFENSE NATIONALE in French Dec 82 pp 7-21

[Speech given by Defense Minister Charles Hernu on 16 Nov 82 at the Institute for Advanced Studies in National Defense: "In the Face of the Logic of the Blocs, an Independent and Unified France"]

[Text] Evolution of the International Situation

At the same time last year, I spoke to the IHEDN [Institute for Advanced Studies in National Defense] audience about the responses that can be made to the challenges of a dangerous world; and since then, the world has not settled down --quite the contrary. Not only have the conflicts of that time not abated, but Afghanistan has been the theater of a bitter struggle between guerrillas and occupation forces for nearly 3 years, and the Iraqi-Iranian war is producing bloody confrontations. The hostilities in Southern Africa, in the Western Sahara, in El Salvador, in Cambodia, to cite only these, show no signs of attenuation. One must also deplore the outbreak of new armed conflicts of broad scope: the Falklands confrontation on the one hand, and the war in Lebanon on the other. In parallel, the negotiations opened by the two great powers in Geneva with a view to reducing their excess armament have not yet led to any encouraging prospects. While progress is awaited, accumulation of armaments continues in the world.

On the one hand, the regional conflicts in the Third World present the risk of generating broader confrontations at any moment, through superpower implication or interference. On the other hand, the disproportion of the forces in Europe poses the threat of a jeopardizing of the political equilibrium in Europe: in the nuclear era, the fear of war created by a correlation of forces to favorable to one of the superpowers can suffice to achieve what in other times would have required direct recourse to arms.

Everywhere, we see the importance of the behavior of the two biggest powers as it affects international security. That is why I would like to apply myself today to describing their respective strategies and the consequences that derive from them for our closer or more remote environment; it is clear, indeed, that we cannot remain indifferent to the evolutions occurring abroad, for they have a direct effect on the threats with which we may have to cope. Starting on this basis, I will discuss the main lines of our own effort, to ensure de-

terrence of any aggression against the national sanctuary, to contribute to the defense of our allies, to take on our international responsibilities vis-a-vis our nationals and our friends, and to preserve our interests in the world.

It is on the basis of such an approach that we are proceeding today with preparation of the future programming law for the period 1984-1988. As you know, the draft will be submitted to the Parliament in 1983. It is on the basis of study of the international context that we will be able to discern the threats with which we may be confronted and to define, in the following phase, the best-suited armed-forces model and estimate the financial effort needed for achieving it.

A Strategic Environment Marked by the Constancy of the Soviet Effort

Among these international constraints, then, the strategies and doctrines of the two superpowers are of the first importance. I will begin, of course, with the Soviet doctrine, for it is the one that for several years has been manifested most constantly and most dynamically in the world. This does not mean that the USSR has passed up the United States in overall military power; but because of the continuity of its effort, it has made uninterrupted progress in the last 10 years, and in doing so has created regional disequilibriums whose effect is particularly sharp in Europe.

The USSR enjoys advantages conferred by coherence and continuity in the strategic domain.

This strategy is applied differently in the different zones of the world: thus, in Europe and also in the Far East, any recourse to direct strategy, which would be based on the search for a decision by means of the use or threat of use of military forces, is blocked by the existence of nuclear forces. In this context, a generalized nuclear conflict represents an inconceivable convulsion, even if envisioned within the corpus of traditional Soviet doctrine, for the purpose of supporting in the rear area, by threat, the indirect actions undertaken. The aim is then to impress the leaders and public opinion of other states so as to create, without war, a more favorable strategic environment.

Under these conditions, great importance is attached to actions aimed at achieving a favorable correlation of nuclear and conventional forces, at favoring and supporting pacifist initiatives such as "no first use of nuclear weaponry," and at asserting a total determination regarding use of the means possessed. Some quite recent official declarations illustrate this strategy.

Using these means, the USSR is pursuing in particular its objective of uncoupling between Europe and the United States, the principal phase of which seems to consist in the complete denuclearization of West Europe. It is true also that it can feel encouraged in this effort by certain tendencies sometimes manifested in West Europe but also in the United States.

Traditionally, the Soviet nuclear strategy, in contrast to those of the other nuclear powers, rests on a resolutely offensive concept that makes atomic weaponry one weapon among others. More recently, an effort of reflection seems to

have taken place in the USSR, reflection that could challenge those concepts described by Marshal Sokolovsky a quarter-century ago. But it is still too early to say what the nature and scope of this updating will be.

Thus, the USSR is combining a pacifist-type campaign with the assertion of un-failing resolve as regards possible eventual use of all of the Soviet military means. This second aspect is founded on a defense effort that has been growing regularly for nearly 20 years. The fruits of this doggedness are clear: the USSR commands a conventional, chemical and nuclear arsenal that is expanding and being modernized constantly. It can be said without fear of contradiction that this military organization has become the most effective instrument of the USSR's external influence. This is all the more true as regards the USSR's habitual zone of action, as is evidenced by the Polish tragedy.

By combining peace initiatives with the intimidation effect produced by the imbalance of forces in Europe, the USSR is justified in expecting some important political and diplomatic results. Thus it is hard to see why the Soviets would reduce their military effort under the doubtful effect of economic-warfare attempts.

The USSR's strategy is manifested also in the Third World. Use of the direct method--that is, an official war action in a Third World country--is facilitated by the absence of nuclear deterrence. This is illustrated today by the intervention in Afghanistan. The indirect methods concern the use of all means other than those of declared war--that is, peaceful use of military means, economic cooperation, training of national elites, creation of infrastructures, etc.

But beyond these manifestations, which differ from place to place and moment to moment, it must be noted that the Soviet strategy has great stability, combining perseverance in pursuit of an objective with pragmatism in action.

American Uncertainties

In the face of this offensive and dynamic strategy, the American strategy and that of the integrated military system of NATO are intended as defensive and adaptive. But beyond this declared intention, the doctrine and the corresponding means have been--and are--marked by a certain number of variations.

Since 1945, the American strategy has assigned a leading role to nuclear weaponry, even though the United States lost its monopoly on it from 1949 on; its capacity for technological innovation has enabled it to retain in this area an advantage that has long been significant.

From the time of the deployment of the first Soviet long-range missiles, the massive-reprisals doctrine has ceased to be sufficient for anything other than defense of the United States' national sanctuary. Thus it was led after 1960 to adopt, progressively, a doctrine of "graduated response"--a doctrine which, despite the evolutions relating to the modalities of application, still remains today the official foundation of American strategy.

This doctrine is aimed at avoiding an automatic triggering of massive reprisals and at giving the president of the United States maximum flexibility and freedom of action in the conduct of a crisis or a conflict. It is also aimed at limiting the risks of escalation and at impeding as much as possible any build-up to extremes--that is, massive nuclear exchange--while at the same time ensuring, in the last analysis, a coupling between defense of the European states of NATO and the American strategic nuclear means. What is involved, therefore, is an approach aimed at reconciling the American refusal to escalate directly to the extremes in case of limited aggression in Europe and the European rejection of an American commitment that would result in a war limited to a Europe transformed into a field for maneuvering by the superpowers or battle between them.

The American doctrine, sometimes also called the Schlesinger doctrine today, since the latter has clearly asserted the twofold antiforces and antipopulation capacity, seeks continuity of the links of the chain between the means of the European theater and the strategic arsenal of the United States. It is aimed at strengthening the credibility of the American nuclear commitment in favor of Europe. But in contrast to the Soviet strategy, this doctrine has not been subtended by a constant military effort: the American nuclear superiority has disappeared, giving place to the parity sanctioned in the SALT 1 agreements. The American conventional forces were for a long time absorbed in the Vietnam conflict, which was followed during most of the 1970's by a continual drop in the United States' military expenditures and the abandonment of conscription. Inversely, in 1981 and 1982 there was a spectacular increase in the American defense budget, without one's being able to say anything definitive about its duration.

In any case, while it is not possible today to speak of disequilibrium on the global level, one cannot help but remark the insufficiency, even the nonexistence, of means appropriate to certain rungs on the ladder of escalation, notably in Europe: thus, in the face of the deployment of the SS-20 missiles starting in 1976, the NATO countries have not had any corresponding means. It is the NATO countries that persuaded the Americans, in December 1979, to strengthen their European arsenal. This decision relating to the new Pershing II rockets and the Cruise missiles is of immediate interest, since the first Pershing II's should be deployed at the end of 1983, in the absence of progress in the American-Soviet negotiations in Geneva.

But rather than stick with this effort, albeit a difficult one to carry out successfully, and the application of which is suited to the situation of the member countries of the NATO integrated system, certain American officials are developing new theories through the press and statements, and it is not always easy to know which of them is official or not. These new theories are suddenly tending to place the accent on conventional armaments and to ignore nuclear deterrence or relegate it to second place. Without reference to nuclear "freeze" or "no first use," which we know well do not correspond to the policy of the current American administration, the Europeans, especially the member countries of NATO, may be troubled by the tendency of some who are presuming to solve the problems of security in Europe by massive recourse to conventional weapons, which for that matter often exist only on the drawing board, betting everything on a fragile technical lead.

Even if these theories, these doctrines, do not correspond to the official doctrine of the United States, they nevertheless find a favorable and harmful echo in certain circles. In effect, they indirectly nourish the movements arising here and there in favor of unilateral denuclearization in Europe or an isolationist fall-back into the American sanctuary. No one, indeed, is unaware of the profound aftereffects left in the United States by the memories of the Vietnam war. This tendency toward isolationism takes two forms--that of a pulling-back of the nuclear threshold to the level of protection of the direct interests of the United States alone, and that of a tendency to urge the Europeans to increase their conventional-defense effort strongly.

Among the theories coming out, I would like to call attention to the one that has been presented vigorously on numerous occasions by General Rogers, supreme commander of NATO and commander of the American forces in Europe. It dismisses nuclear deterrence as much as possible and maintains that an effort by the European governments to increase their defense budgets by 4 percent per year should make it possible to succeed in reestablishing the ratio of conventional forces. In the short term, this appears unrealistic in the face of the colossal arsenal of conventional means that the USSR represents. And wagering on the Western technological lead is a risky bet, to judge from the evolution of the last 30 years. In particular, to raise the nuclear threshold exaggeratedly would be to renounce deterrence and open the door to war; and we should not forget that any war in Europe would be a holocaust. The conventional war of 1939-1945 resulted in 40 million deaths. And a war that would be called conventional at the outset would probably degenerate into chemical or nuclear conflict. Therefore, war in any form must be prevented if it is desired to avoid recourse to nuclear weapons.

That American strategy should change in line with the changes in the threat, the circumstances, attitudes, is normal and always possible, but we must draw the consequences from this at the national and European levels: certain of our American friends sometimes forget that the danger of war is not, for Europe, a theoretical problem that can be subjected to intellectual fashions. For us, it is a vital question. In the absence of progress in the Geneva negotiations, the effective installation of the Pershing II's and the Cruise missiles will have the value of a test. /But taking into account what the Soviet doctrine and effort are, taking into account the evolution of American strategy, our own nuclear-deterrence strategy is and will remain the best guarantee of our defense and of our national independence./

France's Choice: a Strategy of Overall Deterrence

France has provided itself with a strategy of "weak against strong" deterrence. It has an independent nuclear force that is at its disposal with complete autonomy of decision. This force is sufficient and appropriate to our ambitions and our means, and we will continue to do things in such a way that this sufficiency is guaranteed in order to be able to conduct our own strategy of deterrence.

The president of the republic, Mr Francois Mitterrand, has affirmed very distinctly: "The national territory will be defended against all aggression with

all the means at our disposal. These are not means for a graduated defense." I add that these means are not negotiable, for in contrast to those of the superpowers, they are strictly adapted to the needs of this form of deterrence: "France has neither the intention nor the desire to destroy anyone whomsoever. It has only defensive intentions, but it must have at its disposal, in this weak-against-strong relationship, the means of deterrence that prevents anyone from hoping to be able to dispose of France without suffering such damage that it would be a better idea to renounce war."

All our military means contribute to our strategy of deterrence, to our overall deterrence. Within this framework, priority is given to nuclear weaponry, and France founds its security largely on it. But since it would be dangerous to be driven into the corner of "all or nothing," which would give us little credibility, France maintains sizable multipurpose conventional forces. They are intended, on the one hand, for obliging an adversary who might like to skirt around our deterrence to make his intentions clear, and on the other hand, to defend our interests around the world.

The essential element of our strategic nuclear force consists of the Strategic Naval Force and its missile-launching nuclear submarines (SNLE's). Five SNLE's are presently in service, and as you know, as of next January there will constantly be three SNLE's on operational duty at sea; their missiles have been modernized over the years, and in 1985, the "Inflexible" will arrive: armed with multiwarhead M-4 missiles, it will by itself represent a strike power greater than that of our five SNLE's in service today. Moreover, the decision to build a seventh SNLE shows our desire to continue our efforts to improve our strategic instrument ceaselessly: it will be of new technology and capable of receiving a missile succeeding the M-4. Progress of this kind is necessary if we want to maintain the credibility of our nuclear deterrent force in the long run.

The SSBS [Ground-to-Ground Strategic Ballistic] missiles of the Albion Plateau also participate in our strategic deterrence. These are the sanctuary weapons par excellence. It is true nonetheless that we must take into account, for the future, the threat of increasingly precise means in the possession of the adversary. Furthermore, the time will come when our fleet of Mirage IV strategic bombers, the oldest component of our deterrent force, will be withdrawn from active service. Thus, a new mobile ground-to-ground ballistic component has been decided on in principle. This is the SX system, on which studies are being done in order to determine the optimal formula for deployment.

The weapons of our strategic forces are designed for inflicting on the potential aggressor, on his cities, damage that is disproportionate to the stakes that France might represent in his view: they are well-suited to weak-against-strong deterrence. However, in order for the adversary not to mistake our national will, we have associated with our strategic force a tactical armament whose concept of use consists in a final warning. An abrupt change in the nature of the combat, on our initiative, would thus mark our country's determination to use our strategic means if necessary, to defend France and its vital interests. It is necessary, in this regard, to maintain uncertainty. If we were to give a precise definition of vital interests, the uncertainty would disappear, jeopardizing the credibility of our deterrence.

The installation, starting in 1985, of the medium-range air-to-ground missile, on our Mirage 2000 missiles in particular, and the entry of the Hades system into service, starting in 1991, will considerably strengthen this potential. With a range of 350 kilometers, the Hades will give the supreme political decision-maker a distinctly wider margin for evaluation than does the existing Pluton system. With the Hades, the Army will have an instrument ready that will doubtlessly increase its role in our strategy of deterrence.

This tactical nuclear weaponry is an integral part of our deterrence, and it goes without saying that its use comes under the president of the republic. It does not represent "superartillery," for we reject nuclear battle; our warning strike would have a massive character.

France is mistress of its political and military decisions, notably by virtue of its nuclear power. But by reason of its geostrategic position, the whole of its values, its democratic institutions, it is solidly united with the Western world and is closely concerned with the security of its European partners. For us, indeed, independence and solidarity are not contradictory concepts--to the contrary.

It belongs to the Atlantic Alliance and will honor its commitments; it works hand in hand with its European partners, but without thereby alienating its freedom of decision: this is the reason why we have not belonged to the NATO integrated military organization since 1966.

It is necessary, though, to emphasize the special bonds that we maintain with the Federal Republic of Germany--bonds that go well beyond those with the NATO partners. In effect, France and the FRG cooperate on the bilateral and multilateral levels. In the area of armament, our efforts for joint development of materiel should be continued for the highest interest of the two parties. This type of cooperation seems to me to offer the best chances for successful results.

I add that Franco-German relations do not at all rule out development of our relations with our other close European neighbors, and my meetings in recent days testify to this fact: I refer, for example, to my talks with Italy's minister of defense and with the British chief of staff. But the fact remains that we keep sizable armed forces on German soil. And this makes the FRG a favored partner of France in Europe and within the Atlantic Alliance: the recent meeting that Mr Claude Cheysson and I had with our German colleagues in France bears witness to these bonds that were confirmed in the Elysee treaty, the 20th anniversary of which will be celebrated next January by the president of the French Republic and the chancellor of the Federal Republic of Germany.

The French First Army is thus an element of our strategy in Europe. Its action is essential. It marks our commitment to our allies. It must not remain fixed in its structures and its tactical concept. It must demonstrate dynamism by striving to adapt to the evolution of thinking and of technologies. In particular, our desire for the coming years is to favor firepower and mobility.

In this regard, I have initiated an important study aimed at the creation of an antitank helicopter force, the FHAC, which would group several helicopter regi-

ments within a total-mobility division. Furthermore, it is not so much a matter of creating means from scratch--one can imagine what the cost would be; rather, the project consists far more in grouping into big units means that largely exist already but that are relatively scattered today.

An FHAC like this would enable us, infinitely better than is the case today, to join in at the side of our allies once we have taken a decision to do so, at the place and moment which, as the situation may call for, we have chosen. This involves studies that I have had the planning and strategic-studies group carry out and that the general staffs are going into in detail so as to verify their validity in their operational aspects.

We do not, of course, want to engage in a conventional-armaments race; our nuclear strategy is a strategy for prevention of war. But both in order to respond to minor conflicts that might be aimed at getting around our deterrence and to defend our interests in the world and honor the defense and cooperation agreements that bind us to other countries, we must also possess a complete set of conventional forces: Army, Navy, Air Force, Gendarmerie. These forces have to be capable of coping with conventional threats but also with more decentralized threats, such as terrorism, for example.

The defense policy of France does not stop at the limits of old Europe. Indeed, as defenders of human rights and forcefully asserting the right of peoples to order their own lives, we reject the ruthless logic of the blocs, and we do not forget the bonds woven between France and the states that have entered into cooperation and defense agreements with us.

The means for this worldwide strategy rest largely on our prepositioned forces, and the example of the Falklands war has confirmed the interest of such support stationed abroad. In 1982, we had overseas 18,910 personnel, 76 aircraft, and 50 Navy vessels in the DOM/TOM [Overseas Departments and Territories] and in foreign territory, thanks to facilities granted by nations that have made agreements with us, such as Djibouti, Senegal, Gabon, the Ivory Coast, the Central African Republic, etc.

These forces are not sufficient today for resolving all the problems that arise overseas. Thus we have rapid-assistance forces at our disposal so as to be able to take action on demand, sometimes almost immediately. Their action can develop within a bilateral or multilateral framework, depending on the circumstances. We cite the interposition force in Lebanon, the French observers in the Sinai, and in the recent past, the logistical aid to the inter-African force and the relief for the boat people in the Gulf of Siam.

To upgrade these forces that participate in the radiation of France's influence abroad, we are trying to strengthen their equipment and to join young volunteer conscripts with the regular-army personnel: the interest shown by the young people enables us to do this. I add that these forces should also be as multi-purpose as possible. The rapid-assistance forces must also be able, as the situation may require, to be engaged in Europe.

The effectiveness of these rapid-assistance forces is all the greater in that it is subtended by a constant policy of cooperation with the states of the

Third World; what is involved is, in a way, the military side of our policy of promotion of North-South dialogue. Do people know today that there are 7,000 foreign military trainees working in France in our military schools and the armament industries? Who can be ignorant of the importance of our efforts to favor transfer of military technology to truly nonaligned countries, such as India, Brazil and Egypt, that want to free themselves from all technological, military and political dependence on one of the superpowers or another? To give just one example, and a very current one, I will speak of Lebanon, where the different aspects of this policy are being concretely manifested. I cite our participation in the multinational forces alongside the Lebanese, Americans and Italians--that is, 1,600 French soldiers, to which must be added the 900 French in UNIFIL [United Nations International Force in Lebanon]--and the new Lebanese army, 120 of whose officers are in training in France today; and also our financial effort, a line of military credit of more than Fr 600 million opened to the Lebanese government. And I could cite still other examples, in a good many other states.

All this takes us far away from use of the military instrument for warlike purposes and shows clearly that our forces serve peace. This is demonstrated also by our proposal to organize a conference on disarmament in Europe (CDE), relating to all conventional forces from the Urals to the Atlantic. We are expressing the wish that the Madrid conference agree on a proposal for a reasonable mandate for this CDE.

But a world strategy confronted with a high level of threats aggravated by the confrontation--and sometimes the complicity--of the superpowers must have suitable means available. In this regard, I cite the fact that in 1982, despite the cancellation of certain credits, the increase in the budget after inflation will have been more than 4 percent. This is a result that all our neighbors envy. For 1983, the budget that I have presented to the Parliament reflects both the austerity that reestablishment of the great economic equilibriums calls for and the transition between the last program law, not fully carried out as of its nominal end in 1982, and the future programming law. This 1983 budget preserves the buying power of the armed forces and maintains the effort in relation to the PIBM [Gross Domestic Mercantile Product] at a level exceeding that achieved by our neighbors on the European continent. I add that it does not provide for any reduction in personnel strength. It is also characterized by the sizable growth of the expenditures earmarked for the nuclear forces, since the payment credits are to increase by 14.4 percent and the program authorizations by 24.6 percent. Our attachment to our strategy of deterrence is thus confirmed.

But what would our strategy be worth, what would our intentions be worth, what would these means signify, if the will for defense were absent?

This will for defense must be the expression of a popular will, the will of the entire nation and not only the business of the enlightened elites or specialists. The armed forces are the emanation of the nation, and the country's security implies the participation of the French people: our national service, whose content we are ceaselessly striving to improve, is the foundation of it. This objective can be achieved only by continual search for a dynamic balance

between a close identification of the armed forces with the nation and uncompromising adherence to the imperatives of defense.

The armed forces must be constantly more open to the nation, so as to be better understood and better integrated. At all levels, every citizen must feel concerned with defense. The recent polls show that conscription remains very well-accepted in our country. But we want to go farther, and a joint action has been undertaken in concert with the minister of national education to contribute to the formation of fully responsible citizens who are aware of the questions of defense. A protocol of agreement in this matter was signed by Mr Savary and myself on board the corvette "Montcalm" on 23 September. Furthermore, I have asked the three armed forces to intensify the exchanges between the schools, the universities and the units of the armed forces.

All these actions are intended to strengthen the feelings of unity, solidarity and fraternity that should bind France to its armed forces and the soldiers to the nation. Military personnel are well-known for their fraternity in arms with respect for the hierarchy. This fraternity should open up more to the outside, beyond the units and their internal organisms of coordination.

Beyond strategy and the nation's will for defense, I would like to stress that defense forms a whole; it is not the special domain of the minister of defense, and all of my ministerial colleagues have their parts to play to contribute to defense of the country in wartime but also in peacetime: Education, Plan, Interior, Economy. The Constitution and the defense ordinance of 1959 specify clearly that the president of the republic is the chief of the armed forces and that under his authority the prime minister establishes the general organization of defense, with each minister having a role to play with regard to it.

The minister of defense is responsible for the military means for the overall defense of the country. It should not be forgotten, in this regard, that the Ministry of Defense makes more direct investments than any other ministerial department and that it would be absurd, for example, to present our 1984-1988 military programming law to the Parliament next year without being in harmony with the national planning. The evolution of the level of military expenditures has an important and direct influence on industrial and commercial activity and therefore on employment, and affects all regions of the country. I will only mention, by way of example, the regions of Marseille, Toulouse and Bordeaux, as regards the aerospace industry. Are people aware of the fact that the state employs 90,000 persons directly in the armament industries, that more than 300,000 workers are employed in the armament industries? To include the subcontracting industries and the suppliers, about a million employees work in the sectors supported by the defense budget.

To reflect on our defense policy, on our national strategy of deterrence, is your role in this Institute for Advanced Studies in National Defense, and your reflections too, I am sure, will contribute to improvement of the defense of our country in a spirit of solidarity, unity and fraternity.

TEXT OF DEFENSE MINISTER'S REPORT ON ARMED FORCES

Rome ITALIA INTERNAZIONALE in Italian Oct 82 pp 10-16

[Report by Defense Minister Lelio Lagorio: "A Commitment that Must Go Beyond the Atlantic Alliance--National Defense and Armed Forces Situation on the Eve of 1983"]

[Text] Following the situation changes that took place in recent years, the Alliance by virtue of its constitution no longer offers a total defense guarantee for Italy. Reasons forcing Italy to work hard to contribute to stability and detente in the Mediterranean. Need to update Italy's "defense model." How to reconcile efficient armed forces with available financial resources. We are publishing here, by way of documentation, the complete text of the report on the national defense and armed forces situation on the eve of 1983 which Minister Lelio Lagorio delivered to the Chamber's Defense Committee on 3 October.

It seems opportune to me to present a quick outline of the general situation in which Italy finds itself on the eve of 1983 before going into the report as such.

There are two points which I feel I must underscore.

One of them concerns the Atlantic Alliance. On that score I can only refer to what I have told Parliament many times before: And that is, as far as Italy is concerned, the Atlantic Alliance is a defensive and geographically limited alliance, made up of sovereign states that jealously guard their own autonomy and independence.

In a world shaken by war, conflicts, and lacerations, the Alliance has contributed to an era of peace in Europe for more than 30 years. Italy therefore feels that the consolidation of this Pact and of the relations between its members constitutes an important element of safety and stabilization in one of the world's most critical areas.

The Alliance however does not and cannot represent Italian policy as a whole. Like any other free and sovereign country, Italy as a matter of fact pursues "its own" policy which, although it does to a good degree coincide with the Atlantic policy, does not necessarily go along with the latter in all of the real actions and which above all is independent and autonomous of it regarding all of the territories not covered by the North Atlantic Pact.

It must also be said that, in contrast to what was happening until the first half of the 1970's, the Alliance no longer offers a total defense guarantee for Italy due to the situation changes that have taken place in the meantime.

Let us look at East-West relations and the situation in the Mediterranean and the areas adjacent to it.

In spite of the periodic flareup of tensions in various geographic sectors, there have been no changes in Europe that could have modified the general situation picture in its essence.

I might also say that--except for the bitter debate on the intermediate nuclear forces--there has been no substantial change in the balance of forces between the two blocs. In the climate of the Helsinki Treaty, in the middle of the 1970's, this balance of power was in favor of the Warsaw Pact at a ratio of 3:1. As we know, that ratio was (and still seems to be) accepted by the Western countries because it is a "tolerable" ratio for anybody who pursues an exclusively defensive strategy.

This situation however brought about and, if restored, would bring about only a "military detente" not a "political detente" capable of opening the way toward collaboration and trust.

We therefore do not consider this state of affairs to be satisfactory. On the one hand, we consider that the stability of the long frontier running from the North Cape to Trieste is a positive thing; on the other hand, we must with regret reveal the extreme difficulty with which the East-West dialogue and the disarmament negotiations are going forward--a dialogue and negotiations to which Italy assigns worldwide significance and to which it makes every effort to make its own contribution.

Negotiations on mutual and balanced force reductions currently in progress in Vienna are essentially marking time because it has so far been impossible to agree on the necessary forms of local inspection which must permit the verification of the precise application of the accords. The two negotiations on strategic arms and on the "Euromissiles" now underway in Geneva, are also at a standstill because of the difficulty in finding a common initial point of understanding.

In this connection I had an interesting talk yesterday with Professor Eugene Rostow, an official of the American Disarmament Agency. Rostow is in Europe to report on the Geneva negotiations to the allied governments. He did not try to overlook the forest of difficulties in the way of getting the negotiations going again but shared the opinion that Italy will leave nothing untried to find a basis for mutual consensus, with priority given to the intermediate nuclear forces which altered the balance of power that was acceptable during the 1970's and which triggered vast public opinion reactions in our countries.

Italy still has faith that the reasonable nature of the "zero option" proposal--which encouraged the Soviet Union to accept a negotiation proposal list that

came out of the Italian Parliament in the autumn of 1979 with the formula of the "dissolvent clause" and which specifically emerged in the "zero to zero" formula presented by Italy to NATO during the meeting held in Scotland in the autumn of 1981--might yet bring about positive developments so that the idea of the elimination, in Europe, of the "Euromissiles" might lead to early action, thus among other things avoiding the deployment of the Pershing 2 and the Cruise missiles in the West. We confirm that we are extremely favorable to the cancellation of such deployment in a situation of balanced guarantees.

While the situation in Europe appears relatively crystallized, we cannot say the same thing about the situation in the Mediterranean.

An even superficial examination of the current situation in this region provides full confirmation for this statement. The breakup of the Mediterranean area and of the geographically nearby and adjacent areas is expressed by the presence of more than 30 states which numerically speaking constitute a little less than one quarter of the entire international community; and then there is the fact that this grouping of nations and peoples is in continual motion.

All of the unresolved problems, all of the elements of crisis, focused above all in the insoluble tragedy in the Middle East, far from having been attenuated have as a matter of fact been accentuated following the conflict in Lebanon.

The Palestinian problem has assumed a new appearance but that did not move it any closer to solution. As a matter of fact, it fully retains its complexity without any change and continues to threaten the equilibrium in that sector with the possibility of breeding additional and even more dangerous tension centers in other areas.

The conflict between Iran and Iraq with its repercussions on the moderate countries in the Arab world, the unchanged Soviet presence in Afghanistan, the points of high tension in North Africa, the conflicts between Libya, the United States, Egypt, and the Sudan, the dispute and the conflicts between Somalia and Ethiopia and between Ethiopia and Eritrea--these are grave situations which have a direct and logical projection into the Mediterranean area because of their strategic contiguity with the European continent.

This serious instability continues to trigger serious preoccupation since any event here could decisively influence the security of the energy supplies that are certainly indispensable to Italy but also to a large portion of the Western countries.

In long-range terms one must furthermore carefully follow and evaluate other factors of uncertainty which tend to render the scenario in the region ever more complex and uncertain.

Post-Tito Yugoslavia--which developed without any evident traumas or crises--is a credit to the capacity of collective leadership in terms of being able to maintain a substantial level of security. But we cannot forget that the Yugoslav leadership itself is not underestimating the subversive activities

which have not spared the country and which could assume greater dimensions if it were to find more room among the internal dissidents, thus leading directly to the rise of tension foci. If skillfully exploited and sustained, the latter could produce consequences also on Italy's relations with Yugoslavia, relations which today are excellent and which are based on reciprocal respect, on cooperation, and on trust, relations which turn the Italian-Yugoslav border into one of the most open and free frontiers in the world and which have turned the Adriatic into a lake of peace.

Concerning the Adriatic, we must say that the situation in Albania is not devoid of questions; there is a matter of fact quite a bit of confusion concerning the country's internal political situation and the capacity of the current leadership to guarantee the continuation--also in the future--of the policy of rigorous equidistance from the blocs pursued until now. Italy sincerely respects this policy of equidistance and is most interested in its continuation.

In this connection we come to two types of problems: The first of these can be resolved within the NATO context; the second group is beyond its context.

NATO has precise geographic limits which were defined in the North Atlantic Treaty long ago in 1949. At that time, the geopolitical situation was in many respects different from what it is today and in particular one could consider the Mediterranean as a completely "Western" sea and the countries that faced each other there--and those that were beyond those limits--were not shaken by current tensions, nor were they endowed with tremendous means for warfare. That situation changed with the passage of time. Not only has the Mediterranean become a sea with a noteworthy Soviet naval presence (25 percent of the entire naval traffic in the Mediterranean is under the flag of the USSR but some countries along the North African shore have acquired massive land, naval, and air forces which are far beyond any reasonable defensive requirement and any realistic capacity for employment on the part of solely domestic personnel.

This situation means that Italy--which, by virtue of its geographic and historical position has a twin identity (European and Mediterranean)--must work hard to contribute to stability and detente not only in an Atlantic context but also and above all in the Mediterranean context which is of direct interest to Italy.

This contribution naturally must be expressed in foreign policy actions (cooperation, assistance, friendship), actions which Italy can carry out thanks to its degree of industrial, cultural, economic, and technological development; but we cannot overlook the fact that political initiative can be credible only where it is supported by some credible possibilities in the military field, capable of extricating the country's foreign policy from excessive influence and restrictions that can spring from the bigger powers. In this context we must now view some contributions in terms of guarantee and pacification which Italy--on the explicit request of neighboring countries that have come to appreciate Italy's political determination--supplied last year with the establishment of the Multinational Peace Forces for the Sinai

and for Beirut. In this context we must also view the Italian action aimed at recognizing and guaranteeing the declared absolute neutrality of Malta.

Let us now look at some military repercussions.

Without engaging in any alarmism but with careful attention we must emphasize that the real military capabilities of the Warsaw Pact have been growing with the passage of time. I am talking here first of all about the presence of those "Euromissiles" which, starting in 1977, changed an equilibrium that had taken shape and that was being accepted. But I am also talking about the boosting of the ground component of the Group of Southern Forces of the Warsaw Pact. This is a proven fact which demonstrates that--while this complex of forces until 1975 was kept in a secondary position as compared to other European deployments of the Soviet Union--today the so-called Southern Flank has greater importance than it ever had before in the past. This change was qualitatively strengthened by the change in the role assigned to the air element in the southern sector of the Warsaw Pact countries. For a long time, the air element had been assigned defensive missions; today, the air units available can be used on offensive missions.

In the light of this we may well say that the situation is characterized by four essential problems: (1) Quantitative and qualitative boost in Warsaw Pact weapons systems; (2) all-around possibility of acts hostile toward Italy due to the noteworthy and progressive boost of the military capacity of some countries which face each other in the Mediterranean; (3) unpredictability of crisis, tension, and conflict situations which may be apparently limited and which would be caused by the growing instability of the countries in the Mediterranean area; (4) diminished presence of American air and naval forces in the Mediterranean.

To cope with these problems, we must pursue two diverse although convergent directions: Concerning NATO, we must admit the need for keeping the balance of power between East and West stationary as an element in the stabilization of the situation in Europe; in the domestic field we must adopt independent measures which seem necessary to promote regional stability and we must therefore reduce the possible causes of minor controversies.

Italy therefore faces the problem of obtaining an updated and modern defensive military instrument which will be balanced in its three essential components as a function of its commitments which certainly have a different effect on each of them and which spring from the novel aspects of the general situation. In other words, substantially, an instrument capable of adequately protecting the traditional northeastern border and guaranteeing the country also against the risks that might emerge from the south. In this sense I have already had an opportunity to inform Parliament as to the need for updating Italy's "defense model."

The updating of the "defense model" however must be backed by resources which the armed forces do not have today.

I can therefore say here that, by the time the Supreme Defense Council-- which I have asked the president of the republic to summon into session-- will once again have examined the general situation of the armed forces and, by the time it will have analyzed some ideas on the "defensive model" in this context, I shall ask the Defense Committee to be kind enough to devote a session of its activities to this issue. I can say here and now that the updating of the "defense model" does not seem to entail a profound revision of the forward defense concept. Instead it seems to provide for greater mobility and operational readiness for the military establishment and equal mobility and adequate deployment of logistic support. In this context we come to two prime ideas which have already been presented to Parliament: (a) A "dilution" to the south of the forces today concentrated in the south-central part of the country so as better to cover the entire national territory (also due to a need for civil defense); (b) improvement in the radar network in the country's south. This however brings us face to face with a brick wall which is Italian but which is also found in many other countries. In other words, we face one big question here: how to provide ourselves with modern armed forces without forcing the country into insupportable financial sacrifices?

Two big European countries--Great Britain and France--have decided to step on the gas in terms of military spending, nevertheless converting a portion of their conventional forces into nuclear forces.

A third big country--West Germany--which has rejected the nuclear option, has slowed down its anticipated defense increases but has not shied away from conspicuous military spending. Much of this depends on the two superpowers which are moving ahead steadily in the armament field and, with respect to that, the major continental powers are trying not to fall considerably behind.

The budgets of these three European allied states are more than three times bigger than the Italian budget.

In the middle of the 1970's, in a national political climate which favored a change in the country's military policy, with the support of a broad parliamentary group, Italy likewise tackled the problem of how to provide itself with armed forces at the highest efficiency level, using tolerable financial resources. We thus decided on a process of reorganization and a program of boosting and modernizing the forces, to be carried out by 1985.

That choice is still valid and the current efforts of the Defense Ministry are committed to pushing and developing that choice in a coherent manner.

It must however be said--6 years after the start of this reorganization effort--that the plans worked out at that time have not yet been completely implemented but instead have undergone significant changes also due to the successive postponements of programs outlined at that time.

The military establishment therefore--compared to what was planned at the time--currently present and in 1985 likewise will present serious qualitative and quantitative shortcomings in various sectors.

Significant quality advances have been achieved in some fields thanks to the implementation of some programs provided for in the Promotional Laws; but many shortcomings remain both regarding the technical-operational validity of the equipment and materials and concerning their quality.

The operational efficiency of the armed forces, compared to the situation and the missions assigned to them, therefore turns out to be far below a satisfactory level.

General financial problems are behind this situation.

During its January 1981 meeting, the Supreme Defense Council took cognizance of the fact that the 10-year programs drafted in 1975 could no longer be carried out. It decided to finish them off by postponing their completion from 1985 until 1990, noting that, to pursue the original intention, the budgets for the 1980's would have had to fall in line with the financial assumption as to the discretionary consolidation of 1981, annually and constantly increased by 3 percent in real terms, according to the commitments undertaken by the conference of the Heads of State and Government of the Atlantic Alliance held in Washington in the summer of 1978.

But not even that has been possible so far.

In order thus to reconcile efficient armed forces with the specifically available funds, the Defense Ministry's current effort is aimed at proposing a new reorganization of the country's defense establishment.

After having made the necessary comparisons and after having entertained the proper reflections regarding the best Western European armies, it is therefore necessary in reality to realize that Italy is a country:

Which spends one-third less than the major European nations;

Which nevertheless does have a number of military personnel not far short of those countries;

Which spends very little for equipment, compared to the other countries;

Which spends more than other countries on personnel, compared to its own budget, although nevertheless Italy's personnel does draw pay that is lower than in nations similar to Italy.

From this springs the need for an approach to the military problems of the 1980's with a new philosophy which above all must not penalize efficiency.

In this context we must also view the recent decision by the minister to establish a "reform commission" under the chairmanship of Massimo Severo Giannini. The commission is made up of high-ranking members of the Council of State, of the General Accounting Office, of the Office of the Attorney General, of the deputy chiefs of staff and of high-ranking officers and general managers in the Defense Ministry. Starting with the 1965 laws, the commission's

job is to propose the changes and the updating necessary to achieve greater efficiency in the entire defense establishment, its modernization and Europeanization into a powerful interservice force, cost reduction, better definition of the roles of the various organs and the relationship among them and with the administration's political top leadership.

The "reform commission" was appointed in July 1982 and has 6 months to submit its conclusions to the minister.

Here is another point that must be taken up before we address ourselves to the 1983 budget.

Looking at the general situation of the armed forces, I consider it necessary to make special mention of the personnel situation which determines the validity and efficiency of the establishment itself.

The officers and NCO's of the three services continue to be inspired by the highest values of tradition and the Constitution and to serve with a spirit of sacrifice, in all circumstances displaying loyalty to the military establishment and the country. In this connection it seems important to me to underscore the fact that the participation of the armed forces in the multinational force in Lebanon and the multinational observation force in the Sinai revived strong feelings of participation both among the cadres and among the soldiers who, in this important peace initiative, found a new and valid role, combining the missions so far accomplished in the country.

The disciplinary situation of the cadres can also be defined as being positive. There is nevertheless still a latent state of hardship caused by failure to resolve some major problems concerning pay, career development, and housing.

Concerning pay--which continues to be significantly affected by the results of inflation--the updating of special-duty pay and allowances is long overdue.

The housing problem, which is a serious one for all citizens, has now become extremely serious for military personnel who must commute long distances.

The difficulty of providing military housing at the various posts and bases and the high cost of private housing often place entire family groups in an extreme state of moral and material discomfort.

The moral and operational efficiency of young draftees in overall terms is also on a satisfactory level. Almost all of them have managed to fit well into unit life and are performing their various activities with participation and commitment.

Disciplinary violations are being kept within acceptable limits, they are minor and they do not involve any negative effect on the cohesion and functional efficiency of the units.

We might also touch on the drug situation which has assumed broad dimensions nationwide and which consequently is also of concern to the armed forces.

The largest number of cases involving drug addiction comes during the first 3 months of military service, thus confirming a previously existing situation.

The phenomenon however is being countered and held down at low figures through intensive preventive activities.

The most significant initiatives involve information and instruction through various courses as well as therapeutic treatment through the creation of clinical toxicology detachments in the military hospitals.

To conclude my remarks on the personnel situation, it seems a good idea to me to take a quick look at the activity of the Military Representation Office to which Parliament and the Defense Committee repeatedly devoted their attention.

This agency, as I had an opportunity to say earlier, is something entirely new and has been observed with extreme interest also by various Western countries; it is now becoming a fully-grown and valid agency.

During the first 2-1/2 years of its existence, the "Representation Office" acquired significant experience within which the positive aspects are by far greater.

It was inevitable for an agency, to be considered as a profound change in the approach of the military establishment, to have had to go through delicate and difficult moments during its early years.

On the basis of the initial experience however the Military Representation Office as of today does constitute a vanguard solution and an extremely valid institution in terms of submitting proposals and providing consultation.

The participation of the COBAR (Base Councils) in the elections, as we noted earlier, this year again was high (92.3 percent), although there have been rather visible and loud cases of abstention in some units which are the subject of an in-depth analysis now.

Participation came to 93.8 percent during the successive rounds of voting for the COIR (Intermediate Councils).

As for the conscientious objectors, I really must supply some informative data which may be useful in the vast debate now in progress in civilian society. As we know, the Defense Ministry submitted a reform bill to the Senate concerning current standards on conscientious objectors and in this respect I want once again to stress the following: (a) That the reform bill does not provide for a quota (1,000) of conscientious objectors to be recognized each year; (b) it does not provide for the elimination of the pluralism of entities within which objectors can render alternate civilian services; (c) it provides for so-called "silence-rejection" in case the regional commissions have not within 6 months ruled on the application for objector status recognition but

I have stated this many times in public and I myself will submit an amendment to transfor "silence-rejection" into "silence-approval."

Inaccurate statistics are often disseminated on the number of conscientious objectors. I want to take the opportunity of the 1983 budget debate to recall that:

From the entry into force of the Law on Conscientious Objection (1973) until 6 October 1982 (in other words, during almost 10 years), 22,306 applications were submitted. Their number increased gradually from 200 in 1973 to 2,000 in 1979, 4,000 in 1980, 7,000 in 1981 and 5,106 during the first 9 months in 1982;

The total number of applications approved came to 13,218 (or 59.2 percent); 663 (2.9 percent) applications were rejected; applications still being processed include 6,406 (28.7 percent). The other applications, about 2,000 (8.9 percent) were resolved prior to recognition;

During the first 9 months of 1982, compared to 5,106 applications, so far 3,853 (75.5 percent) have been approved and 176 (3.4 percent have been rejected).

As for civilian personnel, relations between the Defense Ministry and the labor union organizations have been intensive and fruitful.

A series of problems involving tens of thousands of white-collar employees and blue-collar workers was brought closer to solution thanks to the sense of responsibility and moderation on the part of the personnel and their representatives.

The most significant question on the agenda now involves the so-called incentive allowance which must not give civilian personnel privileged status as compared to other civil service employee categories but which in the final analysis is a condition of equality with the white-collar employees and blue-collar workers of other government agencies. The government's general financial difficulties and the strict spending policy in line with this so far have made it impossible for the treasury minister to support a bill advocated by the Defense Ministry which would award incentive pay to civilian personnel. But there is reason to think that the autonomous action of Parliament in this field--which does not lack and will not lack support from the Defense Ministry--will be able to persuade Treasury that this is a necessary and proper provision of justice and fairness which can no longer be denied.

This brings me to the military budget. I must first of all recall that, ever since 1980, I have been working hard to make sure that the necessary funds are allocated to attain the objectives outlined for our reorganization effort in 1975, as adopted by Parliament at that time.

I want to recall that both houses in 1980 approved a budget which called for a total spending figure of 5,780 billion with a 13-percent monetary increase over the preceding budget.

The 1981 budget was raised to 7,500 billion, with a monetary increase of 29.7 percent which had caused a big row.

But I believe that I have been able to demonstrate, at real constant values, that budget was still less than the 1973 budget.

In line with some predetermined priority objectives (increasing the efficiency of the military establishment and above all improving the economic, human, and moral conditions of military and civilian personnel in the defense establishment) the 1981 budget introduced increases in the training sector (up 58.8 percent), in equipment maintenance (25.7 percent), in infrastructure maintenance (up 27.9 percent), while in the meantime expenditures for modernization (in other words, for real weapons) were consistently sacrificed; in this sector, spending on armaments went up only 7.3 percent, far less than the average rate of inflation which that year fluctuated around 20 percent.

It was therefore necessary to let the Supreme Defense Council know (January 1981), as I said before, that the armed forces modernization program, which should have been completed by 1985, could be finished but not before 1991 under the conditions recalled earlier (3-percent increase in real terms for the 1981 discretionary consolidated budget).

The subsequent budget for 1982, as stated, was repeatedly cut back both within the government and during parliamentary processing. In the end, it brought a monetary increase of 32.2 percent (which indeed is rather considerable) but the decisive sector of modernization once again was sacrificed.

Concerning modernization, we did as a matter of fact have an increase of only 190 billion, with an increase of 13.1 percent, much less than the current rate of inflation. Once again however we were able to spare our training expenditures (up 40.8 percent) and our infrastructure spending (up 34.9 percent), as well as expenditures for equipment maintenance (up 21.9 percent).

During the 3 years involved, finally, the modernization share out of the entire budget has been shrinking constantly from 23.3 percent in 1980 to 19.2 percent in 1981 and finally to 16.5 percent in 1982 while investments during the 1981-1982 2-year term did not amount to more than a 10-percent increase per year.

The 1983 budget bill submitted by the Defense Ministry was drafted once again in line with the decision of the Supreme Defense Council. But a cut-back of 950 billion was made in the government itself on the assumption that all government agencies must increase their budget equal to roughly the inflation rate programmed for 1983 (in other words, 13 percent). The Defense Ministry was granted a further increase of 3 percent to comply with NATO commitments.

The monetary increase in the 1983 budget therefore, compared to 1982, turns out to be 17.6 percent, a figure which constitutes grounds for serious concern because of its inability to cope with the real anticipated cost increases due to the advance of military inflation which, as everybody knows, is much higher than the average inflation rate.

Since we cannot fall below a minimum amount to be allocated for modernization, which had been overlooked for so many years, it was decided to cut down on related spending, substantially working on the balanced force here, in other words, experimentally launching the assumption--already mentioned in this report--as to a "new reorganization," in other words, a reduction in the personnel strength of the services so as not to penalize the efficiency of our equipment in perhaps an irreparable fashion.

The increase in investments for modernization is again tied to the absolutely negative process during the preceding 2-year term (an increase of less than 10 percent per year during the 1981-1982 2-year term).

During the 1981-1982-1983 3-year term we have an average increase of 18 percent per year compared to the 3-year term itself; this average is still below the 1981 inflation rate which is the same as the 1982 rate and which would allow for the 3 percent for NATO if 1983 inflation were to be as "programmed." But it must be added right away that military inflation is always many points ahead of the average inflation rate and all of this quite obviously is a matter of concern for the sake of efficiency in the defense establishment.

In 1983, the Defense Ministry did not hesitate--to be able to continue the modernization of the establishment--to reduce the balanced force with all of the foreseeable consequences in the NATO and national areas; we are definitely cutting back on our personnel and we are making an effort in the modernization sector to try at least in part to make up for whatever was not done during the earlier years.

The three services as a matter of fact intend to allocate more than 1,500 billion to the continuation of the programs in the Promotional Laws while 800 billion can be allocated for modernization programs connected with the regular budget; we are trying to provide oxygen as it were, for a sector which has been penalized for entirely too long, with all of the consequences already noted.

As for the detailed allocation of funds in the chapters pertaining to modernization, I would like to forward to the Defense Committee a detailed report, as I did earlier in connection with the 1982 budget. This report is now being drafted because the modernization situation has once again come up for discussion after the cutbacks made by the administration in the initial budget draft prepared by the Defense Committee. The pertinent data will be ready shortly the moment all of the evaluations on the priorities to be maintained have been completed.

The 1983 budget bill however is definitely in the red and below the financial assumption, as was the 1982 budget.

In the light of the above, we cannot avoid the need for evaluating the consequences of the cutbacks which once again were made in the budget draft according to the indications coming out of the Supreme Defense Council.

We must keep in mind that it will be necessary us to face big problems, such as the problem of a "new reorganization," such as the problem of a revision of the operational and defensive missions assigned to the armed forces.

This is why--in response to a proposal from the Committee of Chiefs of Staff--I suggested to the president of the republic that it would be a good idea to summon the Supreme Defense Council into session.

I am naturally prepared to return here immediately, to testify before the Defense Committee, so as to illustrate the guidelines that will emerge from this meeting and to discuss quite frankly with Parliament what the best way is, the way we must embark upon--with the responsible and constructive spirit of the big reforms of 1975--in order to face a situation which is gradually becoming more difficult and complex while Italy's duties and necessities keep growing.

5058

CSO: 3528/58

POLL ON ATTITUDES TOWARD DEFENSE, NUCLEAR WAR, INF

Amsterdam ELSEVIERS MAGAZINE in Dutch 4 Dec 82 pp 8-13

[Article by Dr F.A. Hoogendijk: "Forty-Seven Percent of Dutchmen State: A Nation That Does Not Defend Itself, Does Not Deserve To Be Free"]

[Text] The debate on the government declaration focused at its conclusion again on problems concerning the installation of new nuclear missiles. However, what do the Dutch think of nuclear arms, fears of war, survival chances, anti-Americanism, Russian intervention in Poland, and the Memorandum on Defense in general?

The PvdA [Labor Party] wants a worldwide freeze of nuclear arsenals. During the debates on the government declaration, the socialists asked that this be documented in a motion. Last week the Netherlands voted in the UN Disarmament Committee against a resolution calling on East and West to arrive at a mutual and verifiable freeze of the numbers of nuclear arms. The PvdA wants the government to change its point of view in the Disarmament Committee.

Some Christian democrats, including the loyalists, want to support this. CDA [Christian Democratic Appeal] fraction leader De Vries said also that it would have been better if the Netherlands had withheld its vote.

Premier Lubbers had great difficulties in convincing the CDA that it was better not to support the PvdA motion. This is a foretaste of the yet to be held debates on the installation of nuclear missiles.

Defense and Nuclear Weapons

Over the past 2 years the NIPO [Netherlands Institute for Public Polls] has done research on defense problems. This mammoth investigation has given us a very complete picture of backgrounds and motives and the proportions and ratios of the various points of view.

For this research, NIPO questionnaires circulated from January 1981 through September 1982. A total of 15,758 Dutchmen of 18 years and older were asked short or long series of questions in face-to-face interviews at their homes. The just completed results present a unique survey of the many factors involved in the opinions on defense with nuclear weapons.

Fears and Survival Chances

The NIPO has done much research on the use of nuclear power for both peaceful and defense purposes. Often on both applications in one survey. It proves that the aversion of so many people against nuclear power plants is to no small degree connected with their abhorrence of nuclear weapons.

Both are the cause of fear

Even the most serious accidents in a nuclear power plant are of course minor as compared to what would happen in an armed conflict. On two occasions the NIPO asked the following question: "If there were war in Europe involving the Netherlands, what would be one's chances of survival-- good, not good, very small, or nil?"

Two out of every three Dutchmen fear that their survival chances would be minimal or completely nonexistent.

Women are even more pessimistic than men. The differences are smaller in most other categories. The exception is the category of opinions based on party affiliation: D'66 [Democrats '66] voters are most pessimistic about their survival chances, VVD [People's Party for Freedom and Democracy] voters are a little less pessimistic.

Opinions and Feelings

The above-mentioned figures are of course nothing but an inventory of opinions and feelings. This illustrated by the answers registered by the NIPO in August as part of random national test of 1,047 men and women.

This was the question: "There are many discussiona and even demonstrations about nuclear weapons and also about nuclear power plants. What is playing an important role here: feelings, intelligent considerations, religion, pro-Russian sentiments, anti-American sentiments, fear, antimilitarism in general , or patriotism?"

Here are the answers:

As regards nuclear weapons and power plants a large role is played by:	All persons Questioned %	Men %	Women %
Fear	60	58	61
Intelligent reasoning	25	28	23
Feeling	27	31	23
Antimilitarism	19	21	16
Anti-American sentiments	9	10	9
Religion	6	6	7
Pro-Russian sentiments	6	7	5
Patriotism	5	3	6
No reply	13	11	14

Many persons gave as their opinion that more than one of the above-mentioned factors is playing a role (Additions above 100%).

Of the many persons who gave fear a big role, 32 percent also thought that feelings were a contributing factor and 32 percent (mostly different people) also found intelligent reasoning to be a factor. Of the persons (25 percent) who mentioned intelligent reasoning, 60 percent found fear and 42 percent also found feelings to be an influential factor.

Of the persons (27 percent) who found feelings a contributing factor, 70 percent believe that fear is also in the background and 39 percent said that they also used intelligent reasoning.

Anti-Americanism?

According to the public neither anti-American attitudes (mentioned by 9 percent), nor pro-Russian sentiments are a real influence.

In the case of these sentiments, it seems to be more a reproach to other persons than one's own experience. The reactions among the leftist and rightist subdivisions of all persons questioned demonstrate this.

Mentioned by persons questioned who classify themselves as:

	Extreme left	Left	Left of center	Center	Right of center	Right	Extreme right
Role played:	%	%	%	%	%	%	%
Anti-American	6	3	6	11	14	15	16
Pro-Russian sentiments	4	5	4	5	8	11	13

It is therefore hardly amazing that in the random test (among supporters of the four big parties) anti-Americanism was mentioned most by VVD voters (25 percent) and also by CDA voters (11 percent).

As regards pro-Russian points of view we see the same results: it was mentioned by 14 percent of the VVD voters, 7 percent of CDA supporters, 4 percent of the D'66, and 2 percent of PvdA voters.

(There is reason to believe that, at least till very recently, many officials in Washington assumed that rejection of nuclear arms and anti-Americanism were almost synonymous)

In conclusion, it can be stated that: In the Netherlands we are literally scared to death and a large majority believes, therefore, that fears and sentimental backgrounds predominate in our judgment of nuclear arms and even of the peaceful use of nuclear energy.

It is fitting to remark that the desire and hope for survival of later generations is a very natural instinct. To us, it does not seem quite right to look upon this as a symptom of a Dutch disease ("Hollanditis"). It appears much more likely that we are dealing with a not at all abnormal attitude which can also be found in the area between the Ural Mountains to beyond the Rocky Mountains and elsewhere.

Can All Nuclear Weapons Be Banned from Earth?

The IKV [Interchurch League] slogan received broad support and mobilized many people. It contains two elements: "Nuclear weapons banned from earth," but also "starting with the Netherlands."

Does the response contain both elements or just one of the two? Or both to varying degrees? In October 1981, the NIPO submitted a series of 20 sloganlike statements (in ever-changing sequences) to random sampling by 892 men and women.

One was very brief: "All nuclear weapons must be banned from the earth."

"I agree," replied 65 percent, 13 percent did not agree and 22 percent did not know what to say.

Abroad the results are very similar.

In May of last year, the American Gallup Poll registered 59 percent of the people in favor of "nuclear disarmament" and 72 percent from a Russian-American agreement not to produce new nuclear arms.

There is much to be hoped for but perhaps less to be expected from the negotiations in Geneva. In December 1981, the NIPO asked 982 Dutchmen: "The American President proposed diminishing the number of nuclear arms. Russia responded, and last week in Geneva discussions between America and Russia began. Do you think the negotiations will take very long, or will they soon lead to new agreements?"

"It is going to take a long time," is the opinion of 85 percent, only 8 percent expects early results (7 percent had no opinion).

The same poll also contained this question: According to you, what is in the long run the best way to cut the number of nuclear arms: start with unilateral disarmament followed by negotiations or begin first with negotiations, only to be followed by disarmament after results have been achieved?"

At least 6 out of every 10 persons questioned believe that negotiations ought to be held first, only to be followed by disarmament after results have been reached.

The following table shows the results, in total and by various categories:

	Best approach		
	Disarmament only after successful negotiations	Unilateral disarmament followed by negotiations	No opinion
	%	%	%
All questioned	62	30	8
men	67	29	4
women	58	31	11

Voters for:

CDA	72	20	8
PvdA	50	43	7
VVD	91	8	1
D'66	59	37	4

There is at least a justifiable doubt whether the large majority in favor of banning all nuclear weapons is also in favor of a unilateral beginning in its own country.

The following question was also asked: "If the Netherlands were to set an example by eliminating all nuclear weapons, would other nations follow suit?"

One-quarter of all persons questioned answered: "I do not know," but one half said: "I do not agree."

On the other hand, one-half (49 percent) appeared to agree with the opposite statement: "A Dutch example in eliminating nuclear weapons will definitely not be followed by other nations."

Here follow the reactions to both statements:

	Agree with:		Disagree with:	
	other nations do not follow	other nations follow	other nations follow	other nations do not follow
	%	%	%	%
All questioned	49	50	26	25
Voted for:				
VVD	64	65	8	17
CDA	56	54	21	18
D'66	59	68	18	21
PvdA	43	45	34	33

Agreement with an old one-dimensional slogan is unanimous: "Never again war."

It dates back to the time between the two world wars and 81² percent responds: I agree. Only 4 percent says no; they probably do not dare to consider the possibility (15 percent has no answer).

Defense Necessity

Except for the above-mentioned slogan concerning defense against a military attack, the following was asked: "Is the military draft unavoidably necessary?" (61 percent agree, 18 percent disagree, 21 percent have no opinion); "A nation which does not defend itself, does not deserve to be free." (47 percent agree, 31 percent disagree, 22 percent have no opinion). A comfortable majority subscribes to the need for a national defense.

It is a fact that the need to "maintain the independence of the realm," and "defend its territory"--to quote Article 94 of the constitution--find less support on the left of the political spectrum than among persons who consider themselves on the political right.

The assertion: "An occupation, as by the Germans from 1940 to 1945, is always preferable to waging war." Agree: 28 percent; disagree: 54 percent; no opinion: 28 percent.

Here are also significant differences between persons of the political left, the political right, and those who prefer the political center.

Additional assertions concern the present situation in Europe.

Persons polled agreed almost unanimously that: "The Polish people should be able to arrive at a decision without Russian intervention." (76 percent agree, 4 percent disagree, 20 percent have no opinion).

The opinions on the following assertion differed widely: "Considerable Russian influence in the Netherlands and Western Europe is not as bad as war." "We do not agree": 38 percent said, 32 percent agree, and a very large percentage (30 percent) do not know the answer. People feel uncomfortable with an unspecified dose of "Finlandization."

Almost two-thirds support the following assertion: "All Russian soldiers must leave East Germany, Czechoslovakia, Poland and other East European countries" (63 percent agree, 13 percent disagree, 24 percent have no opinion).

(On the political left, the answer is more often "disagree" than on the right)

Considerably smaller is the number of persons supporting the following thesis: "All American soldiers must leave West Germany and other West European countries" (38 percent agree, 34 percent disagree, 28 percent have no opinion).

A further analysis teaches that one-third of the public (32.5 percent) agree with both statements (Russian and American soldiers must leave) but almost one-quarter want to get rid of the Russians but not of the Americans.

Two-thirds of the public support the idea that Russia must remove the SS-20 missiles aimed at Western Europe. A somewhat smaller majority wants to stop U.S. production of neutron bombs. The thesis read: "Russia must remove the nuclear missiles aimed at Western Europe" (67 percent agree, 8 percent disagree, 25 percent have no opinion).

"America should not make neutron bombs" (Agree: 55 percent; disagree: 21 percent; no opinion: 24 percent). (To the left of the political center, people agree for more than 60 percent; to the right of the political center, for less than 50 percent).

Regarding procedures to arrive at a decision on nuclear weapons, opinions are strongly divided. Two theses were presented: "The Netherlands must cooperate with the decision of the majority of NATO countries on nuclear weapons" (43 percent agree, 34 percent disagree, 23 percent have no opinion) and "Decisions on nuclear weapons should not be taken by the public but by the government and the parliament" (43 percent agree, 34 percent disagree, 23 percent have no opinion).

The Dutch political left and right differ considerably in opinion on these points.

Voted:				
	PvdA	D'66	CDA	VVD
	%	%	%	%
Cooperation with NATO decision:				
Agree	33	43	57	67
Disagree	46	37	20	18
Government and parliament decide, not the public:				
Agree	32	22	47	50
Disagree	47	60	33	30

The questions were as follows: "First disarmament, then negotiations" (29 percent agree, 46 percent disagree, 25 percent have no opinion) or "Negotiations should precede disarmament" (59 percent agree, 17 percent disagree, 24 percent have no opinion). Here we are again dealing with the discussions of, among others, Mient Jan Faber. From the political left to the political right the opinions on the first slogan were:

Voted for:	agree	disagree	no opinion
PvdA	35	41	24
D'66	36	50	14
CDA	28	49	23
VVD	9	67	24

In conclusion, the response to the following thesis: "America and Western Europe should militarily be about just as strong as Russia and the East Bloc nations (56 percent agree, 18 percent disagree, 26 percent have no opinion).

Almost one of every five persons interviewed appears to disagree with the idea of a balance of power, as presented in this manner.

Who they are is shown in this table:

Do not agree with the thesis: East and West should be about equally strong:

21 percent of PvdA voters (May 1981)
 16 percent of D'66 voters
 12 percent of CDA voters
 8 percent of VVD voters
 29 percent of the extreme political left
 39 percent of the political left
 23 percent of voters to the left of the political center
 16 percent of the political center
 13 percent of voters to the right of the political center
 5 percent of the political right
 8 percent of the extreme political right

Faithful to the Fatherland...

In the two polls registering survival expectations, two other subjects were first discussed. A: "It is being said that under the present circumstances a war would be so terrible that it would be preferable not to defend oneself against an attacker. Therefore, no defense of the Netherlands but rather capitulation. Do you agree or do you not?" and B: "If worst comes to worst what would you prefer: allow a Russian occupation of the Netherlands or defend ourselves in spite of the dangers?"

The following table provides the answers:

Replies to:	Answers of persons estimating their survival chances in a European war involving the Netherlands as:			
	Nil or very small		Not big or big	
	August 1981	January 1982	August 1981	January 1982
	%	%	%	%
A. Disagree, no capitulation	58	61	66	76
Agree, capitulate	37	32	32	21
No opinion	5	7	2	3
	(100)	(100)	(100)	(100)

B. Defense, with disregard

for consequences	62	67	75	81
Russian occupation	32	25	21	16
No opinion	6	8	4	3
	(100)	(100)	(100)	(100)

The idea of a Russian occupation meets with more rejection than capitulation does. Given a clear choice, Dutchmen do not really react any differently from other nationalities. In February, a number of Gallup institutes asked the following question: "Some people say that war is now so horrible that it is better to accept Russian domination than to risk war. Others say it would be better to fight in defense of (name of country) than to accept Russian domination. Which opinion is closer to your own?" In Seven countries the answers were:

	USA %	Switzer- land %	Great Britain %	West Germany %	France %	Den- mark %	Belgium %
Prefer war	83	77	75	74	57	51	45
Prefer Russian comination	6	8	12	19	13	17	14
No opinion	11	15	13	7	30	32	41
	(100)	(100)	(100)	(100)	(100)	(100)	(100)

As compared to the above reactions to the questions it would be reasonable to assume that the Dutch point of view lies somewhere in between those registered for West Germany and France.

Not Out of NATO

The NIPO is regularly asking two standard questions about the defense of Western Europe. Always in exactly the same wording. Variations in the responses, therefore, cannot have been caused by changes in the stimuli. One of the questions is: "According to you, should Russia and the other Eastern European countries be kept in check by an appropriate military force in Western Europe, or is that not necessary?"

Two-thirds of all persons questioned (about three-quarters of all persons expressing an opinion) invariably believe that we cannot do without a counterbalancing military force.

Western European force counterbalancing Russia
and its satellites

	July 1974 %	Oct 1979 %	Jan 1980 %	Dec 1980 %	Oct 1981 %	Jan 1982 %
Needed	68	67	65	68	65	67
Not needed	15	21	22	21	19	22
No opinion	17	12	13	11	16	11
	(100)	(100)	(100)	(100)	(100)	(100)

The other standard question deals with NATO membership:

"The Netherlands is a member of NATO, the North Atlantic Treaty Organization. What is your opinion: should our country remain a member, or get out of the NATO?"

With the exception of the poll of October 1981 the number of people in favor of Dutch membership is remarkably firm.

The Netherlands and NATO

	July 1974 %	Oct 1979 %	Jan 1980 %	Dec 1980 %	Oct 1981 %	Jan 1982 %
Remain a member	76	76	76	76	69	76
Resign	9	12	14	12	12	13
No opinion	15	12	10	12	19	11
	(100)	(100)	(100)	(100)	(100)	(100)

The lower figure of October 1981 in favor of membership can only be attributed to a deviating random sample. There is also the possibility that in the month preceding the big IKV demonstration some Dutchmen shifted their opinion from "retain membership to no opinion."

If so, it was only temporary. On 13 December, General Jaruzelski established a military dictatorship in Poland. In January, the NIPO figures again equaled those of 1980 and prior years.

The idea that no counterbalancing force is needed confronting the Warsaw Pact forces and the inclination to resign from NATO, so clearly evident on the extreme left, goes hand in hand with pacifist and disarmament backgrounds.

It is striking that supporters and opponents of NATO membership and of a counterbalancing military force opposite Eastern Europe appear not to differ in opinion as regards the following slogans: "Never again war," "The Polish people should be able to decide their own fate without Russian interference," "All Russian soldiers must get out of East Germany, Czechoslovakia, Poland and other Eastern European countries," and "Russia must take away the nuclear missiles aimed at Western Europe."

Many opponents of the combined European defense are, therefore, not at all in agreement with what Moscow and its satellites are doing.

But most of these opponents (75 percent) agree with the idea: "first disarmament, then negotiations, and a great number (more than 40 percent) with: "If the Netherlands sets an example by removing its nuclear weapons, other nations will follow its example."

Nuclear Weapons in the Netherlands

No matter the fear and abhorrence of nuclear weapons, a majority of persons with an opinion expect that the installation of new Pershing and Cruise missiles is inevitable.

As part of a series of questions about the second Van Agt government then to be formed, the NIPO asked at the end of August: "As part of a NATO setup, will the decision be to install new nuclear missiles in the Netherlands or is that not going to happen?"

The reactions were as follows:

		All questioned: Persons who voted for:				
		CDA	PvdA	VVD	D'66	
Expect of	%	%	%	%	%.	
new government						
Installation of new						
nuclear missiles	48	45	43	58	59	
No installation	36	40	41	30	34	
No opinion	16	15	16	12	7	
	(100)	(100)	(100)	(100)	(100)	

Many Dutchmen expect and fear that it will happen nevertheless. Definitely not because they like it.

Opinions on such a decision (as a possible consequence of the famous NATO "dual decision" of 1979) have regularly been polled.

The question in five polls of the first half of 1981 was as follows: "If, after ample deliberations, the new government decides to allow the old nuclear weapons to be replaced by new missiles within a NATO framework, would you consider that a good decision, or regrettable but acceptable, or a wrong decision you would remain firmly opposed to, also in the future.

There are hardly any significant differences in these polls. We can, therefore, recapitulate the opinion ratios of the months prior to the elections as follows:"

(Averages of five polls and 5,165 interviews)

17 percent would approve a government decision to allow the installation of new missiles
 36 percent would find it regrettable but acceptable
 39 percent would find it wrong and would remain firmly opposed
 8 percent would have no opinion
 (100)

Even though we have a majority (53 percent) inclined to accept the new missiles (if at all necessary), 4 out of every 10 Dutchmen are opposed. Among the original supporters of the three government parties, opinions vary considerably.

After Chamber Elections

After the Chamber elections of May 1981 opinions appeared unchanged. These elections were definitely not an IKV referendum. Nevertheless, it appears desirable to submit a few major questions once again to a national opinion poll. This was done on 20 and 21 September in 1,063 face-to-face interviews (at the homes of those questioned): After questions about the government under formation (it appeared that 7 out of every 10 Dutchmen expected a fourth Van Agt government), one of the standard questions was now formulated as follows: "If, next year, after ample deliberations the final decision were to install new nuclear weapons in the NATO framework, would you consider that a good decision, regrettable but acceptable, or a mistake you would remain firmly against?" In July, 12 percent found it a good decision, and a little less than 2 weeks after the elections the number remained essentially the same: 11 percent. The answer: "Regrettable but acceptable" increased. In September, it was the opinion of 42 percent of all persons polled. The answer: "A bad decision I would firmly oppose" returned to 41 percent, about the level found to be the rule in the polls of 1981. The following table is a summary of the results from January 1981 through September 1982:

Poll	As part of a NATO decision, new nuclear weapons			
	Good decision	Regrettable but acceptable	Bad decision remain firmly opposed	No opinion
	%	%	%	%
26, 27 Jan 1981	17.5	35.5	39	8

(table continued from previous page)

8, 9 March	18	32	40	10
16, 17 March	18	36	37	9
21, 22 April	15	35	42	8
27, 28 April	16.5	39.5	38	6
31 Aug/1	15	37	41	7
12, 13 July 1982	12	38	45	5
20, 21 Sep	11	42	41	6

If the necessity arises, more than 5 of every 10 Dutchmen can go along, 4 out of every 10 remain opposed. This ratio has hardly changed over the last 2 years, however, the percentage of people who agree willingly has clearly gone down and shifted partially to "acceptable but indeed regrettable."

The expectation that it will yet come about showed a further increase after the assurances. The question asked again in September was: "What do you expect to happen: will the decision turn out to be the installation of new nuclear weapons in the Netherlands as part of an overall NATO plan, or will that not happen?" The answers were as follows: 70 percent say that it will happen (in July 1982, 65 percent, in August 1981, 48 percent), 19 percent say that it will not happen (in July, 24 percent, in August 1981, 36 percent), 11 percent had no opinion (same percentage as in July).

Generally speaking the expectations of 7 out of 10 Dutchmen is now more or less as follows:

		All polled: Voted in September 1982 for:			
		PvdA	CDA	VVD	D'66
	%	%	%	%	%
Expect installation	70	70	70	74	82
Do not expect installation	19	23	17	17	14
No opinion	11	7	13	9	4
	(100)	(100)	(100)	(100)	(100)

The hope that we will escape the ordeal has also been abandoned by most opponents. In July, 36 percent of staunch opponents still expected that it would not take place (56 percent of them already expected then that it would take place). Of this group of opponents, now only 27 percent expect that installation will not happen. Two-thirds (66 percent) expect installation.

That explains the change since July because persons polled in favor of installation (87 percent expected then and still expects installation) and persons who found it regrettable but acceptable (then 75 percent, now 77 percent expect installation) have not changed their opinion.

Accept the Inevitable?

A new question has been added to the most recent poll: "If it happens, should one accept it or continue to fight it?"

The results teach us that about one-third of the public is now still inclined to resort to more or less active opposition. Of the 4 out of 10 persons questioned who consistently oppose installation, 82 percent reply that they will keep up their opposition although they expect installation to take place. That amounts to 34 percent of the entire random sample of 20/21 September.

All PSP [Pacifist Socialist Party] and CPN [Communist Party of the Netherlands] voters interviewed in this poll are, without exception, of the opinion that one should not accept a decision to install the missiles which a great majority also expect to be installed anyway. Seventy-seven percent of PvdA voters give this answer of prolonged opposition. (Among the small number of D'66 voters, more than 60 percent also support this point of view).

The end result is that a little more than one-half of the people find installation acceptable, albeit regrettable, and of the 40 percent of the people who remain firmly opposed only a modest minority is inclined to accept installation. That leaves one-third of the population not willing to relent in their fight against new nuclear weapons. There are undoubtedly cores of hardline opposition in this 34 percent of the people.

On the other hand, 2 out of every 10 PvdA voters and about 3 out of every 10 D'66 voters respond by saying: "Well, one just has to accept it." That is the situation on 20 and 21 September during the first period of the formation of a new government.

Various NIPO polls conducted shortly before the elections show that the problem concerning nuclear weapons has only been decisive in the choice of a party to a limited minority of the voters. If a prospective government makes a decision in 1983 and carries it out, it is not very likely that its decision and action will play a bigger role in the elections of 1986 than was the case on 8 September 1982.

10319

CSO: 3614/27

BERLIN POLICE CADETS FOUND TO BE MEMBERS OF NEO-NAZI GROUPS

Hamburg DER SPIEGEL in German 27 Dec 82 pp 58-59

[Article: "Burning the Father--Three Times Within a Few Weeks, Berlin Detectives Investigating Offenses by Right Extremists Hit on Police Cadets"]

[Text] The "wanted circular" printed in a little paper called DEUTSCHER KURIER was for Heinz Galinski, 70, the chairman of the Berlin Jewish Community. The heading: "Wanted--dead or half dead."

The publisher of the murderous pamphlet was the extreme rightist "German Workers Youth." When Berlin police in early December searched the residences of 29 members between the ages of 14 and 23, they hit on the usual things--neo-Nazi literature, gas masks, steel helmets, arms--plus the embarrassing fact that one of the members of the militant organization which had conducted paramilitary games in Berlin woods was a college of theirs from the Berlin Police school of Schulzendorf.

About the same time West Berlin police found Nazi emblems and anti-Jewish incitement literature in the apartment of someone suspected of having stolen a motorcycle--who turned out to a 21-year-old police sergeant.

And that isn't all. When a teacher handled the blackboard during an examination at the police school, he happened to read on the reverse side the words "Viktor, you Jewish swine"--meant to revile a Jewish student, the 18-year-old police sergeant Viktor Esser (the name has been changed--Ed) who, having been born in Israel, is both a German and an Israeli citizen.

The teacher alerted his superiors. A superintendent from the Berlin Office for the Protection of the Constitution [VFS] began to investigate, a handwriting expert took samples from class work, and suspects were questioned.

The work of the investigators uncovered the fact that Berlin police cadets--in the Schulzendorf class, for example, sergeants in the third and last training stage--for a couple of years had subjected an apparently defenseless fellow student to the kind of chicanery indicating undisguised anti-Semitism.

Berlin Chief of Police Klaus Huebner reacted quickly. Two sergeants, 18 and 19 years old, had to give notice. Investigations of other young policemen are proceeding, and one teacher has been transferred.

In the past few months, Huebner time and again had been forced to deal with the reproach that an extreme rightist attitude was making itself at home among his officers. The Berlin TAGESSPIEGEL, for example, in May published the photo of a police officer who in a street action had worn on his helmet a death's-head sticker a la Waffen-SS.

Berlin experts are hardly surprised. Among the age groups of the young police, they say, extreme rightism generally has been "more virulent" for some time, though, according to the acting Vfs chief, Manfred Ganschow, "major actions of violence, such as arson or Kristallnacht [Nazi program] behavior" have not occurred so far.

A "Nazi renaissance" has also been noted by Berlin FU [Free University] staff, who say that in Berlin schools, for instance, there is an increasing trend of "pro-Nazi protest behavior." At an all-day hearing of Berlin SPD parliamentary deputies on the subject, experts deplored an increased "proclivity of unorganized youths who lacks a view of life" tending toward neo-Nazi ideas.

The man threatened by the "wanted circular," Galinski, for his part, has learned that "young people who hardly know a single Jewish fellow citizen" are increasingly arriving "at such awful things." While he does "not want to dramatize" what is going on among the police, Galinski suggests a "round of talks with all socially relevant strata" to discuss the phenomenon.

The case of the Jewish police cadet shows what unbridled aggressiveness toward minorities can lead to. Initially, when inebriated young police wet their fellow cadet's bed or greased his boots and parts of his uniform with soft cheese, superiors surmise that (bad enough) it may still have been a case of "measures in accordance with the pecking order of the group." The young colleague, they say, a "quiet, introverted and intelligent man but one lacking in practical skills," occasionally had placed himself "in an outsider's position."

Such interpretations hardly explain, however, what followed then.

One of the ringleaders, the files reveal, sprayed the face of his Jewish fellow student from a spray can, saying "Let's play gassing," and some cigarette ashes were pointedly flicked off in front of him with the remark, "This is the way his father should have been burned."

After a judo test, the investigators established, the policeman was tied up by his comrades and threatened that they would now play "Jew's swing" [Judenschaukel] with him. At least one instructor turned out to be the proper model: When his subordinate did not give him some of his drink on a ride to target practice, he reviled him as the "eternal Jew."

The mental attitude with which such words originated was recorded as follows by one of the expelled students in whose apartment Nazi decorations and Hitler's "Mein Kampf" had been found: "I am interested in the time of the Third Reich because I have found that not all that has been said about it, either positively or negatively, is accurate."

For 26 months the maltreated policeman did not dare open up to his superiors. Persons looking after him think his reserve is due to the fact that "the Jewish religion teaches humility." The Jewish policeman himself, who would like to finish his training in the old group, says he did not want to be a "tattletale."

The chairman of the police trade union in Berlin, Guenter Brosius, is demanding an examination of the "priority and effectiveness of political science instruction." It cannot be a question of quantity. The 1,500 police cadets who every year are put through the training institutes in Spandau and Schulzendorf at present in three training segments, have to cover 282 hours of "political and constitutional science." Only the subjects of action training (831 hours) and sports (443 hours) take up more time.

In fact Helmar Krege, Berlin police director of training and advanced training, advocates better training of instructors. Having at one time worked on Nazi reparaton cases in the compensation office, he is "concerned and sad" because "the teachers on hand have not realized what it means to be an underdog as a member of the Jewish religious community."

8790

CSO: 3620/148

POLITICAL OVERTONES SEEN IN RECENT BANDIT INCIDENT

Athens TO VIMA TIS KYRIAKIS in Greek 19 Dec 82 pp 1,16

[Text] The "trio" of Kifisia bandits was a special "commando," whose mission was to assemble a complete arsenal for an extreme-right organization. It is said that two of the three bandits and murderers of the gendarmerie sergeant in Kifisia, Anastasios Tyrselis, 30, and Aristeidis Armbatzoglou, 27, were the armament squad. It appears that the third member of the gang, Anestis Keikoglou, 25, was not part of the organization's circle; they used him as an assistant in robberies and burglaries.

The officers from Suburbs Security who are interrogating the three criminals have come to the conclusion that Tyrselis and Armbatzoglou collected weapons in order to be able to dynamically support the dark plans of an extreme-right organization in which they are enlisted. Their purpose was to arm their fellow-ideologists who would use the weapons at a moment of turbulence to create an atmosphere of panic.

Tyrselis is a known extreme rightist; he had acted at the expense of Greek democratic students in Naples, Italy, where he was during the dictatorship. In the summer of 1978, Tyrselis had been interrogated at Suburbs Security for bombings carried out by an extreme-right organization.

It is almost certain that behind Tyrselis and Armbatzoglou is an extreme-right organization whose members are prepared to act at a certain moment, says the commander of Suburbs Security, Brigadier General Emmanouil Vasilakis.

The same is believed by other Suburbs Security officers who are making extensive investigations to uncover the organization and locate fascist elements who intended to undertake armed action.

Tyrselis and Armbatzoglou were the "commando" for stealing, plundering or illicitly purchasing weapons. They did not waste the money they derived from robberies and burglaries, but kept it and used it to procure weapons from underworld contraband. Armbatzoglou admitted it in the interrogation. With half-words, the young criminal said to the Suburbs Security commander and Lieutenant Colonel Kartsonakis: There are others behind us. I do not know them. Only Tyrselis knows them....

In order to justify his claim, Armbatzoglou let it be understood that the organization operates on the known conspiratorial trio system, according to which the

members make up trios and only the head of the trio has a connection with the higher echelon.

On the other hand, it is characteristic that Tyrselis said on the day he was arrested: I am afraid if I talk they will kill me. Up until last night, the bandit had not answered the question asked by Suburbs Security Officers concerning who might be the ones who would kill him and why. He is tough and is not revealing persons and events. He controls his conversations and says only as much as he wishes....

It is believed, however, that the organization will be uncovered by the investigations. A goal of the Suburbs Security officers is to detect the two young extreme-right criminals' connections, the organization's "brain," the people who supplied them with weapons, the other hit-teams and the plans they had.

Tyrselis and Armbatzoglou kept the weapons in excellent condition and had hidden them at five different points in Pendeli, Ymittos, Saronis and Volos. Thirty-one weapons, mainly revolvers and pistols, were found and confiscated by Suburbs Security officers. They also found and confiscated 3,700 bullets of various types.

Among these is a .45-caliber pistol similar to that used in the assassinations of the American CIA agent in Greece, Richard Welch, and the policemen Mallios and Bambalis. This pistol has been handed over to the Criminal Services Directorate for examination. Suburbs Security officers believe that Tyrselis and Armbatzoglou have no connection with these three assassinations. However, it is possible this may be the same pistol, though its source is unknown. The two criminals are not revealing from whom they procured the .45.

Tyrselis and Armbatzoglou had other weapons in their possession which were not found. They had hidden them in Pendeli and Saronis, in places where there were fires last summer, and they are unable to show the police the hiding places.

The claim that the two criminals collected the weapons to use in robberies is not convincing because, even before the burglary they performed at the Kaisariani shooting-gallery, from which they took 16 pistols and revolvers, they already had in their possession 15 other weapons.

9247

CSO: 3521/125

COUNTRY'S LARGEST PEAT-POWER PLANT TO BE BUILT IN JYVASKYLA

Helsinki HELSINGIN SANOMAT in Finnish 1 Dec 82 p 12

[Article: "Finland's Largest Peat-Fueled Power Plant Will Rise in Jyvaskyla; Designed to Burn Coal as Well"]

[Text] Construction of Finland's largest peat-fueled power plant will begin on the shore of Jyvasjarvi at Jyvaskyla in early spring 1983. In accordance with the law pertaining to neighborly relations, a public report on the situation was made on 30 November. In the course of that report it became clear that, in addition to peat, coal will also be used as a fuel at Rauhalahti. Up to one half of the energy output may be produced by coal.

The Jyvaskyla Rural Commune presented a demand that only peat be used as an energy source. The rural commune refused also to grant permission to the Imatran Voima generating firm to build a road for the hauling of peat from its lands. That road would have eased the movement of trucks in the power generating area.

The Rauhalahti peat power generating plant, which will be built by the Imatran Voima Oy corporation on a plot of land 17.5 hectares in extent purchased from the city of Jyvaskyla will be, when completed, a massive structure consisting of brick and corrugated sheet steel of the height of an apartment building, a coal storage area a hectare in size, and a roofed-over peat storage areas.

The smokestack will rise to a height of 130 meters in order to carry the combustion gases as far away as possible. Since 80 percent of the winds in the area are from the south, the smoke clouds will billow toward the Aittorinne area where they will descend to lower levels.

The construction work will begin in spring 1983 and will require a year and a half. The busiest phase of the construction, which will cost 400 million markkas, will employ 400 persons. The power plant will begin production in spring 1986.

The Rauhalahti plant will produce 80 megawatts of electricity, the equivalent of 120 megawatts of area heating energy, and 40 megawatts of industrial steam energy to be purchased by the factory at Kangas. The area heating energy will be purchased by the city of Jyvaskyla, whose own energy-producing facilities will be placed on stand-by status. The electricity that is produced will be

fed into the national network, from which Jyvaskyla will draw its electricity. The output of the Rauhalahti plant will be slightly in excess of consumption by the city of Jyvaskyla.

Coal Generates Fear

When the fuel used for the boilers consists of 90 percent peat, then the annual consumption of that fuel will be 1.5 million cubic meters, or the peat production from about 4,000 hectares [sic] of area. In that case the consumption of coal would be 25,000 tons.

From 150 to 200 truckloads are required daily to haul the peat. A trainload will bring 320 tons of coal. The intent is to have a year's supply of coal in storage in the area.

The coal instills fear in the neighborhood residents. The sulfur dioxide content of coal smoke is higher than that of peat smoke. Manager Juhani Tahvonen of a commercial tree farm whose strawberry garden is just outside of the fence surrounding the power plant is wondering who will make compensation for the capital expenses to the entrepreneur caused by the change in production.

Even before construction of the plant, the Imatran Voima is contemplating the doubling of the size of the plant in a second phase. According to project chief Matti Suikkanen, expansion of the plant will hardly be needed until the next century.

More than ten buildings await dismantling at the power plant site, all the way from the Koivuranta dance pavilion to the outer buildings of the housing project. The feeling of departure is prevalent. The last residents to move away will leave their homes after Christmas 1982.

5955

CSO: 3617/41

BRIEFS

EIB ENERGY LOANS--LUXEMBOURG, Dec. 6, (AP)--The European Investment Bank said Monday it has granted two 15-year loans totalling 28.6 million dollars towards the construction of two hydroelectric power stations in Northern and Central Greece. One loan is for a 105-megawatt station at Pigai, 35 kilometers north of Ioannina that is due to be connected with the national grid by the end of 1985, the European Community's long-term financing institution said in a statement. It said the other loan was granted towards construction of two 75-megawatt units, to be ready 1985, on the Acheloos River, downstream of Stratos in West Central Greece. "Construction of these two hydro-electric power stations directly meets the Greek government's wish to reduce the country's dependence on imported oil which supplies 75 percent of the primary energy consumed in 1978," the EIB added. [Text] [Athens ATHENS NEWS in English 7 Dec 82 p 4]

CSO: 3500/320

DE CROO ON PROBLEMS OF ECONOMIC, POLITICAL REFORM

Brussels KNACK in Dutch 10 Nov 82 pp 37-40

[Interview with Herman De Croo, PVV [Party of Freedom and Progress] minister of communications, posts, telephones and telegraph, by correspondents Frans Verleyen and Johan Struye: "We're Bleeding to Death in Warm Water"; date and place of interview not given]

[Text] Now we are being asked to drive as little as possible on Sunday. When De Croo gave air time to this initiative of the Association of Large and Young Households and the Public Transport Corporation, he received angry telegrams and an indignant delegation from Febiac, the automobile-industry syndicate. And last week when the welfare talks broke down, he came under fire from the welfare interests because of his public transport policies. There are currently some heated strikes in his sector which is the country's largest employer: 67,000 with the railroad, 6,000 with the local rail system and 6,000 in Brussels, about 90,000 people when one includes the 10,000 at Sabena, 50,000 with the post office and 30,000 with communications. All are strongholds of unions and in serious condition, at least according to De Croo.

[Question] Things are at a standstill. The citizens' tax burden will not be eased in the least by this administration unless the budget situation improves.

[Answer] In this department I inherited a railroad with a deficit of 15 billion and debts of 10 billion, and the administration inherited a deficit of 500 billion and debts of 3 trillion.

[Question] But the figures continue to climb. The yearend figures for 1982 will be even worse than for 1981.

[Answer] Now we're having to write with little pieces of chalk on a messy blackboard. We don't even have anything to clean it off with. That's why I say, the more liberal this government is, the better. The public finally has to understand that the cheaper they get a public service, the more they actually pay for it. At the dedication of the new Brussels subway station recently, I said that such luxurious stations had been paid for by the woodchoppers of the Ardennes and the potato farmers of Flanders who would never use them. That's just the way public welfare works. Early retirement

is taking this country down the drain. To reduce personnel, I'm having to dismiss people over 55 at Sabena. Because there isn't enough to go around, this company is eating its own tail; that is the problem.

[Question] Doesn't the liberal dream that fascinated the voters in November last year seem to be an impossible dream? Isn't the system's gravitational pull stronger than any political mandate?

[Answer] It's not an impossible dream, but it won't be easy. If we can pursue this policy for several years, and if it's not changed afterward, then prosperity will return to this country.

[Question] But the 2,000 jobs that you're dropping at the railroad will turn up again in the unemployment figures. There won't be any savings.

[Answer] Don't be impatient and look for such quick results. At the railroad they told me that too. Of course there's no unemployment if everybody works for the state. But after a few years, the state won't have any more money to pay for the full-employment dream.

[Question] The government's most recent plan anticipates thousands more on the state payroll, you know.

[Answer] I have to admit that I'm not very happy about that. I have made absolutely no appointments. I'm not going to hire like my predecessors who in just 2 years took on 7,000 workers at the railroad. It could look like political patronage. That's why I don't appoint our party workers and those who are recommended to me.

[Question] Aren't you afraid this will happen anyway? This certainly isn't the policy in all departments of the present government.

[Answer] You're wrong; there's very little hiring. At our meetings I see colleagues who are very upset because they are unable to hire. Our society will be saved only when jobs are created in the truly productive sector. In order to do that, we have to be competitive. Our products must be in demand and affordable. For that reason, the productive sector has been granted tax breaks, writeoffs and such. We are trying to make capital available again for investments that in their turn will create money. In the case of Cockerill Yards, Motte or Fabelta, you see our new policy of making it clear that no more money will be forthcoming. Coal and steel are two other areas that will face the moment of truth some fine morning. We shouldn't fool ourselves: the day will soon be here when coal and steel are not important. Our productive sector, that's what is important. It must have markets abroad, too, because our domestic market is already being swamped by foreign competition.

[Question] But the government is taking the purchasing power away from the domestic market. Additional taxes are being levied on a smaller tax base. What kind of liberalism is that? How does that spell more money for the private sector, and less for the state?

[Answer] When the city of Liege has to be bailed out, as well as Antwerp, Cockerill, the coalmines and the railroad--where you yourself say I'm not doing enough--then of course nothing does any good. The mechanisms for doing what has to be done are so choked, rusty and out of shape that you almost have to be a martyr to keep trying over and over.

[Question] Whatever the present government's desires might be, it seems that it is not giving up any of its own powers. By doing a good job of managing the round of concessions, it did improve the relationship between the people and industry, but not between the people and the state. It can probably do this if it maintains the extragovernmental public service corporations, Caritas Catholica, education, unions and such bodies. The structure will remain intact, although it will be less effective because of the concessions. That we shall soon have a government with 900,000 civil servants looks more than a little like a failure of January's political mandate.

[Answer] It shouldn't be overlooked that the concessions are unleashing a different pattern of spending. Businesses are getting some relief, and the state is saving money. Spending is being directed into the productive sector, not into public support. The best example is the so-called Monory Law. More tax is paid on capital that is not invested in tax-favored businesses. Otherwise, I can quite agree with your analysis.

[Question] But no more jobs are being created, are they?

[Answer] The fascination and preoccupation with job creation is not the answer for our society. The more jobs are protected, the fewer you can create. The few executive personnel that are kept on to the end are robbed of any chance to be rehired. What are our foreign investors saying? They say that we have an outstanding transportation system, good telecommunications, that our people are unusually capable and hard-working, but that they are not adaptable enough during periods of change in the employment picture. The union-inspired policy of extreme job protection has hobbled us. Like the medieval monasteries, the unions are ruling over people around them with laws that don't apply to them. They are permitted to have money abroad; they don't have to have any tax regulation. Only they can lay off people whenever they feel like it. There is no legal action that can be taken against them, for they have no legal existence. Although the union is not a legal entity, it is the most powerful element in this country; it is the ghost in the English castle. Who is always in the government no matter which party is in power? Who is in the parliament? These are products of the system that is more responsive to some than to others. This is a challenge that calls urgently for a response from our democratic system. And there is a second challenge as well: the vexing breakdown of the balance of power between metropolitan areas and the provinces. Each of them is trying to stake out its territory by population and area. In the name of principles that correspond to no realities, we are blundering into an insane situation. Too many people have to render an account not to the voters, but to their more or less unseen ghost-employers. That can be big

money, big labor, the giant corporation or big government. This has become a church of bishops; it no longer exists for the believers. Formerly, we had governments composed of minorities who, by compromising their differences, claimed a majority for their minority view. The present government seems to have avoided this somewhat. When a skittish horse gives you trouble, put it in the muck. The more it digs with its one foot, the more it bogs down with the other. After an hour you have a calm, well-behaved and docile animal. The muck that I am trying to steer clear of is the sum total of our habits, our systems and our love of ease. In politics, we have managed to reduce intervention and have allayed the pain of the crisis with hot and cold compresses. These compresses are our unemployment compensation, early retirement and all the aid programs. They have made the critical period go unfelt by our people, but this cannot last long.

[Question] People are paying 17 francs for fuel now. Doesn't the state get 10 francs of this?

[Answer] Not the state, but the man who pays his 17 francs. He gets his subway and train coupons for a trifle; he travels by public transportation at half the price. He pays out the 10 francs to himself, although it is true that the state keeps half of it for administrative costs.

[Question] You're like bad actors in a lousy play. You say you're against big money, big labor and big government, but the figures don't bear this out. Yet you had an unequalled opportunity after November 8, last year.

[Answer] Naturally, you have to choose between staying in office and taking action. The CVP [Social Christian Party] seems to me to be a party interested in staying in office. The liberals may want to do something, but the question is whether they will stay in office. If you want to stay, you naturally do as little as possible. If you do much, you surely won't stay as long. My colleague Coens in the Education [Ministry], for example, seems to be trying hard. I'll support him if public education survives all this in good shape. But I have serious doubts, when some are planning to cut the education budget a second time in the spending cuts. But you have the same old problem. You shouldn't carry the development of public transportation too far, nor that of public education, pensions and the hospital system. And with all your half measures, you end up with an intricate hodgepodge of many baroque turrets that serve no purpose. I am afraid that we will never really get any place if we don't act more aggressively. There are just two kinds of politicians. There are first those who don't dare march forward unless they are accompanied in parade formation by parliament, all the welfare interests and all the positions on the political spectrum. And this is all very highly praised by the well-meaning press. And then there are those of the second stripe who act on their own faith and fake the consequences. Naturally, they are the ones who get things done. There is a real difference between staying in office and taking office and taking action. I think that this government still has momentum, but it has to shift gears. If we want to be on good terms with everybody in this country, there's nothing more we need to do. Then we can just go home. In the meantime, things will keep growing worse.

[Question] Aren't you alarmed about the general deflationary thinking that is now sweeping through Europe? Soon the British, the French, the Germans, the Netherlands and the Belgians will be placing harmful restraints on one another. Aren't all these governments focusing too exclusively on the one problem of domestic purchasing power? Won't this become a dangerous mania? In the past, we did everything for religion, or for Flanders. Now we are being summoned in the name of the health of the economy.

[Answer] As long as there is still TV in the evening and the checks in the morning mail, there will be no crisis. If Martens, De Clercq or De Croo come along and say that things are going badly, the people think we're from another planet. No one believes us because people don't feel it yet. Europe is committing suicide by sitting in a warm bath and cutting its wrists. And the drama of it all is that Europe believes there's nothing better to do than to keep the water warm. No one anywhere can think of anything else to do. This government has been doing the same thing, but I have the feeling that it will soon change after all. Europe is among the mourning survivors, playing the jazz band at the funeral. Maybe a new generation will come along, maybe Verhofstadt...

[Question] But Verhofstadt is no longer speaking out. He has no interest in this government. While one after another of your forecasts turns out wrong, De Clercq is taking potshots at the left, calling them relentless taxers.

[Answer] I'm not looking for excuses. My politics are to the left of center, not far right. But you cannot expect that in a year's time a Burgundian administration will strike a new course. I'm not saying the ship of state will get a new paint job if we stay in power a while yet, but the deck will be swabbed down. We'll all just keep at it.

[Question] The ACV [Confederation of Christian Trade Unions] is asking for a shorter workweek and is getting it. There will be 80,000 additional jobs from this. Those unable to hire, are supposed to contribute to the welfare fund. As a leading member of government, aren't you forced to admit that this is ridiculous?

[Answer] I am afraid that we are all committing some errors that we are unwilling to avoid because of the results we see spilling over onto other areas. This government must recover the verve it had before the setbacks in the local elections. The big setback that everybody predicted never really materialized. But we did lose some steam there. The next slowdown was brought on by the welfare conferences. Here there were talks at the highest level with people of every stripe who might help save Belgium. It's one of those rituals that goes on and on, but no one understands what the other is saying. But at least we've done our duty now, the prayers have been offered up, everybody at every social level has been patted and flattered as much as possible. I think it's time now that we do what we want to do, with as much agreement as possible. Now we have to move forward.

[Question] But now there is the Cockerill-Sambre collapse with half of the Walloons demonstrating angrily in the streets.

[Answer] If there is anyone in this government who has a great dread of strikes, I would advise him to go home as fast as he can. We can get no farther with slogans, formulas and magic words. Governments sometimes remind me of Indian chiefs who appeal to the heavens for rain. There are, of course, politicians around whose first priority is peace. Another example of keeping the water warm.

[Question] Do you still sometimes think about the Liberal-Socialist coalition that you advocated a year ago?

[Answer] I was wrong there. I believed then that the socialists were able to save the working class, just as I am now trying to save the railroad. Not with pacifiers, but by taking painful measures. But they couldn't go along. Now I'm rid of my double illusion. They didn't have the capacity for it; they weren't equal to the task. As always, the socialists run for cover when the coffers are empty and kick us out when they're full again.

[Question] Are you ideologically at home in this coalition? Can you work with it?

[Answer] In 1980 we tried the three-party coalition, and I endorsed it. I thought that we would all take the plunge together, but no such luck. After 3 months it seemed no one wanted to get into the water. Some wanted us to jump, others didn't. We then simply left. Afterward, the two-party coalition with the socialists didn't get anywhere, due to the basic inability of the socialists to associate themselves with retrenchment and cutbacks. I cannot really imagine anything other than the present two-party coalition, at least within a normal parliamentary framework.

[Question] As an old parliamentary hand, aren't you uncomfortable with these proxy powers? Is it necessary to extend them?

[Answer] What surprises me is that the parliament, consciously or unconsciously, is passing a minimum of legislation. Everything comes to a standstill every week, because that is when the municipal or provincial council meets, or some such thing. I have a boxcar full of legislative bills that I want to deliver to the house and senate. Every 3 weeks I have committee meetings and every 4 weeks an open session. I'm no longer physically up to these drawn-out deliberation procedures. In these times, we normally would not have gotten through the 100 authorizing laws we now have. Not because there is bad will in the congress, or lack of agreement. No, they're just not behaving in the usual way. The system isn't working any longer. If we continue to use the same people for the municipalities and the regions, we're going to run aground. This has become a do-nothing parliament. If for once they would work 5 days a week, then I wouldn't need proxy powers any more. I'll go through the parliament when I can be sure to get my legislation passed within a month. Our parliament has

foundered. It isn't digesting everything it has consumed. They don't recognize what is essential. They're drowning in details. Apart from that, the opposition has peevishly notified us that there will be no more proxy powers without hearings. When would these hearings ever take place? The government dutifully sends each of its texts to the office of the house and senate, but apparently nobody over there is looking at them. One of them is an alderman back home, another is on a trip, still another has duties in municipal government or has his provincial court day. They always have something else to do.

[Question] Doesn't that strike fear in your heart? It looks as though this government is coming to the end.

[Answer] The government will do whatever comes out of the welfare talks, whatever it can. And no parliament in this country will want or be able to prevent it. Is that democratic? Under a previous government, a law was passed whose administration was left to the welfare council itself. So don't say that the parliament has only recently put its tail between its legs in the matter of the proxy powers. There is, of course, no alternative. I had no trouble at all in the senate in countering a socialist who charged that I was opposed to public transportation. I asked him pointblank when in the last several years his Socialist Party had opposed the building of superhighways? This party was in the government 16 of the last 20 years, including the last 5 years. Can they show me just one party communique that is against investment promotion in roadways? Likewise, I once offered my cabinet post to an overzealous union leader. I told him he could go himself to the Arabs and beg for the money to pay the people he wanted hired.

[Question] Doesn't this strike craze in public transportation cause you concern?

[Answer] I read the union papers with the greatest attention. When there is something interesting in one, I have it researched. It will be used. But if I read only things like: "Defend the work and the rights we've won; defend the parity structures that built the railway system 150 years ago." [quoted in French], well, what am I supposed to do with that?

9992

CSO: 3614/26

LABOR DEMAND FOR 35 HOUR WEEK THREATENS SCHLUTER POLICIES

Stockholm DAGENS NYHETER in Swedish 10 Dec 82 p 8

[Article by Kerstin Sedvallson]

[Text] "We do not accept any restraints; our responsibility is to see that LO members get as much as possible."

Knud Christensen, chairman of the Danish Federation of Trade Unions (LO) made that statement to DAGENS NYHETER during a 2-day meeting of the Council of Nordic Trade Unions (NFS) in Copenhagen this week to discuss the contract situation and how the trade unions can best influence their respective governments to pursue economic policies that will stimulate full employment.

While the Swedish Federation of Trade Unions has made the least demands in 30 years as far as the 1983 contract is concerned, the Danish Federation, according to Knud Christensen, does not intend to hold back on its demands in the upcoming contract negotiations, which will begin 1 March when the present LO contract expires. The contract for public employees expires 1 April.

The nonsocialist government in Denmark, made up of the Radical Liberal Party (approximately the same as the Liberal Party in Sweden) and Glistrup's Progressive Party, has placed a freeze on wages until 1 April. This freeze also means the end of all automatic wage increases, like the so-called cost-of-living allowance. Cost-of-living allowances are important to Danish workers since they constitute most of the wage increases and are the same for everybody in terms of kroner and ore.

The freeze has angered the Danish people and led more than 100,000 furious Danes to demonstrate. But the freeze has been accepted by LO.

However, LO does not intend to accept the government's four-percent total wage limit for the first year. The four-percent limit is supposed to include everything.

"No, we do not want any restrictions," said Knud Christensen.

Big Demands

The Swedish LO wants a 2.1 percent wage increase in 1983, which does not include the so-called overhang--existing forms of 1982 price and compensation guarantees. If the overhang were included, LO members would gain 4.1 percent.

On the other hand, employer salaries will go up by at least 10 percent in 1983. That compares with an expected salary increase of 4.5 percent in West Germany, a competitor nation. Swedish trade unions, nevertheless, have decided to hold down their demands in harmony with the government's attempts to aid the Swedish economy.

But that is not the case in Denmark, at least not according to LO chairman Knud Christensen.

"By holding down our demands, we also reduce purchasing power. And if there is no purchasing power, we cannot further exportation," said Knud Christensen.

"But would you do likewise if the Social Democrats were still in power?"

"Yes, indeed," said Knud Christensen and enumerated LO's positions with respect to the 1983 contract.

In Denmark, each trade union negotiates directly with its employer and only when these negotiations fail does the federation step in to negotiate with the Danish Employers' Association (DA).

"We aim for three things in the next contract. We want to maintain joint LO responsibility for wage policies. We want to focus on low wages; we have about 40,000 members who earn less than 50 kroner an hour. And we want a shorter work week."

No sharing

Denmark, like Sweden, has a 40-hour work week. Shift workers work 37 hours. But now the Danish Federation of Trade Unions wants to shorten the work week to 35 hours--preferably with the same pay.

The demand for a shorter work week is not based on any concern for the worker's family patterns, even though some will say that it is. No, it is based on a grim reality: the every growing unemployment, which today amounts to 300,000 in Denmark. That is 9.4 percent of the work force.

Job sharing is a remedy which more and more countries within the Council of Nordic Trade Unions agreed to discuss when the council met in The Hague last spring.

But the Swedish LO has categorically and stubbornly said no to all forms of reduced work hours for the purpose of job sharing.

However, Rudolf Meidner has now said it is time to start evaluating the basis for LO's rejection of the idea of job sharing.

The debate about job sharing has been dismissed in Sweden, which, according to Rudolf Meidner, can no longer be tolerated. He thinks it is time to provide some answers in support of LO's criticism. LO's point of view is that more jobs cannot be created by means of shortening the work week and job sharing.

And what does the Danish LO chairman say about the Swedish LO rejection of job sharing?

"I do not want to comment on that," said Knud Christensen with a smile.

8952

CSO: 3650/73

OIL SHOCKS AFFECT PORT OF BORDEAUX

Paris LES ECHOS in French 26 Nov 82 pp 17-18

[Article by Gerard Larpent: "Decline in Oil: Port Seeks Diversification"]

[Text] Bordeaux--"The port had fallen so low that it could only go up."
This concise reflection by an authority of the maritime federation well illustrates the situation today.

Hit like all the others by the economic crisis and, in addition, lacking a hinterland, with much industry, the port has seen its traffic fluctuate according to the various oil crises. In 1981 hydrocarbons still accounted for 66.6 percent of its total traffic. The steady decline in these products since 1979 (9,739,000 tons that year; 9,368,000 tons in 1980; 8,048,000 tons in 1981) has therefore had significant consequences on overall activity. This situation is continuing this year. For the first 10 months, hydrocarbons accounted for only 5,421,000 tons, or 15.47 percent less than last year. Tonnage should be about 6.5 million tons at the end of 1982 "and hit 5 million tons in the medium term," forecast the authorities at the Autonomous Port [of Bordeaux] (PAB).

However, and this explains a certain amount of optimism, traffic in general cargo is increasing. This increase has been very slight: 1.71 percent for the first 10 months of 1982. But compared to the situation in other French ports, that of Bordeaux is not that bad.

Thus, after the 3,973,000 tons of general merchandise in 1980 and the 3,983,000 tons in 1981, the figure of 3,196,000 tons (+54,548 tons) had been reached by the end of October. [Sentence as published]

In short, the entire traffic of the port of Bordeaux will be about 10.5 million tons this year.

These figures do not mean success, and nobody thinks so anyway. But they show the necessity of continuing efforts to diversify, marked recently by the opening of several new facilities.

The terminal for multiple bulk products, the forestry terminal and the food terminal have begun operations at Bassens while at Verdon a third crane

designed to unload containers is currently being tested and will be put into operation before the end of December.

Between these two poles of Bordeaux a balance is maintained which can respond to the demands of new traffic.

Opened in 1976, the Verdon terminal operates 24 hours a day every day of the year and has proved its effectiveness over the years. But its increase in activity took place at the same time as did an extremely rapid change in the ships (containers and transports). To stay in the race it was necessary to continue investing and to receive ships which were at first 150 meters long and are now 288 meters long.

A deep water pier was lengthened to 600 meters. With the third crane, it can simultaneously receive two large 288-meter container ships. This facility, which represents an investment of 15 million francs, will also enable ships to be unloaded with a spreader or bucket.

This method of unloading is doubly worthwhile because ships partially unloaded in Verdon can sail as far as the port of Bassens; the port authorities think they can meet the needs of new traffic (coal, food products) in this way.

The terminal for multiple bulk products that was recently opened in Bassens, for example, is designed to handle 1.5 million tons of coal and iron ore a year. But in the meantime its activity is limited to 500,000 tons a year (150,000 tons of iron ore, 350,000 tons of coal).

This is one of the sensitive issues at this port. After the varied attempts undertaken in the southwest to convert industrial units to coal, consumption leveled off. In particular, all the cement plants in the area are now equipped for coal. The arrival in Bordeaux of a delegation from CDF [French Coal Board]-Energy and the activities it will undertake will undoubtedly enable other conversions to be made, for example, for heating systems. This will result in an increase in consumption of relatively weak proportion (10,000 or 20,000 tons) which, perhaps, will satisfy the port authorities but which will not turn Bordeaux into a great coal port.

Going on to a higher level therefore means converting an electric power plant in the area. And the port is naturally thinking of the one in Ambes which currently uses fuel oil.

"This means, therefore," explains Dominique Velut, PAB director of operations and marketing, "either converting a plant whose yield with coal would then decrease and go from 250 MW to 200 MW, or of changing two plants of 600 MW. In the first case, current facilities would be adequate. But in the second, Bordeaux would have to be supplied by fully loaded 120,000-ton boats. These could not go as far as Bassens and investments would have to be made in Verdon for unloading and then transporting to Ambes." All of these scenarios can be implemented, but they depend on a political decision.

In any case, Aquitaine would not be upset to see that it is finally being thought of for large-scale investments, since it is suffering as much from the economic crisis as other French areas. In addition, this decision could be the little trigger needed for a real industrial reorganization centered around Verdon.

9720

CSO: 3519/175

TRAFFIC AT PORT OF MARSEILLE DECREASES 4 PERCENT

Paris LES ECHOS in French 24 Nov 82 pp 12-13

[Article by Paul Anglezi: "1983 Goal: Maintain the Level of General Cargo"]

[Text] Marseille--With an overall decline in traffic of about 4 percent for the first 10 months of the year, the autonomous port is certainly feeling the effects of the crisis, but it is not doing any worse than other French and European ports. This decline had been foreseen, but it would be dangerous if it were a long-term trend. Commercial management readily admits that lost traffic can be regained only with a great deal of difficulty.

The year will end in a relatively depressed context. Budgetary problems, already mentioned on several occasions, and the possibility of the port better defending itself against domestic and foreign competitors are matters of urgency.

Should improvement of the port facilities continue? Yes, but the state's share is declining and financial assistance is becoming more unsteady. Mobilize the clientele? The attempt will certainly be continued next year, "but we will have less elbow room," commented the commercial authorities, while mentioning the need to cut back in all areas.

Always Oil

In fact, the life of the port of Marseille still hangs on development of several of its most important types of traffic, with petroleum products in first place. Arrivals of crude oil for the first 10 months of the year fell to 50.1 million tons compared to 52.7 last year.

The autonomous port was depending strongly on coal to (partially) take over from oil, but this was a disappointment, at least in the short term. Arrivals reached a little more than 3 million tons during the first 10 months of 1981; they have fallen to 2.8 million tons and this decline has also been felt at the reshipment level (barely 385,000 tons compared to a little over 500,000 last year).

The Situation of Foreign Trade

Only mineral ores have maintained a slow but sure advance. The economic vagaries of the steel market have prevented Solmer from building up its stock. Arrivals of iron ore are at 3.7 million tons and those of bauxite for the Pechiney factories in Gardanne in the Bouches-du-Rhone are approaching 1 million. On the other hand, traffic in natural gas is stagnating--about half a million tons, but it diminishes from one year to the next.

In the port of Marseille, these changes have not, however, much bothered the large bulk tonnage. It is well known that for oil, coal and minerals, there are few transit points as appealing in France as the Marseille-Fos complex. Taking into account Le Havre's competition for petroleum and Dunkerque's well defined position as a link in the northern steel industry, large-scale efforts in the areas of facilities and advertising should be made in the direction of more diversified traffic, which is also richer and generates more added value: general cargo.

But this is, of course, where the economic situation of the nation's foreign trade has its most direct effects. If the decrease in imports (hoped for in the offices of Michel Jobert) does not occur at the same time as an increase in sales abroad, the port will lose in both areas. This is apparently what is going on in Marseille and Fos. The overall traffic in general cargo has declined by 1.5 percent over the first 10 months of the year, which is not much.

But in 1982 the port could easily fail to reach the presageful tonnage of 10 million tons, now considered indispensable if port receipts are to improve. There has been a slight improvement in arrivals (2.7 compared to 2.5 million tons). But on the other hand a rather sizable decline in outgoing shipments (5.5 compared to 5.9 million tons). A decline that can be explained in two ways: a drop in French exports or less interest in the port of Marseille by European exporters.

Is the end of the year likely to insure a turnaround in the situation? This is possible but not certain. The season for importing fresh fruits and vegetables (from North Africa and the eastern Mediterranean) has just begun. However, arrivals of other food products (sugar, grains, wine) could decline.

The problem for Marseille is that it must look for its clientele rather far away. In Le Havre and Rouen it is two steps away to the Paris area. Although there are the risks of traffic leaving for the ports of Antwerp or Rotterdam, there is still a captive traffic which does not exist in the Mediterranean, where the large industrial centers are far from the port complex.

The Container Gains Ground

This has resulted in the attempts made to entice exporters. Since the beginning of September the port's managers have already gone to Paris, Strasbourg, Toulouse and Switzerland. They have pleaded their case everywhere with varying amounts of success.

The last interesting characteristic is the change in the type of transport. The decline in conventional types of ships seems to be irreversible. For general cargo alone, it was down -9.6 percent from January to October 1982. On the other hand container ships have increased (up 3.1 percent) despite a decline in transport ships. Car ferries (Corsica-North Africa) have improved their position significantly.

A temporary conclusion: "Mediterranean and Middle East coastal trade will remain steady while distant trade (with development of the facilities at Fos and Port-Saint-Louis) will undoubtedly undergo more rapid development in the months to come and next year."

For 1983, port authorities are betting more heavily on maintaining the traffic in general cargo more in minerals and coal. "We have to learn to be reasonable," say the different heads of the commercial service.

9720

CSO: 3519/175

BRIEFS

PORT RECEIVES 14.4 MILLION--The visit of Louis Le Pensec, minister of the Maritime affairs, to Bordeaux on 21 October confirmed that Fr 14.4 million will be invested in the autonomous port in 1983. These credits will fund work to improve sea access to the Bassens area so that 80,000-ton ships lightened to 40,000 tons can be received (Fr 10 million); to improve the operating conditions of the container terminal in Verdon by strengthening the approach and the electrical protection of the pier (Fr 2.4 million); and to continue the work to protect the sensitive area of the Grave point from the sea (Fr 2 million). [Text] [Paris LES ECHOS in French 26 Nov 82 p 18] 9720

NEW CARS FOR ANTILLES--"We do not compete with one another, we complement each other," the representatives of the port of Bordeaux often say on the subject of relations with the Spanish port of Bilbao. And events of the last few days have supported this statement...to Bordeaux's advantage. Thanks to its lines to the Antilles with Epee's Fort Royal and Fort Fleur, which make a stop in Bordeaux every 2 weeks, the CGM [General Maritime Company] has obtained some new traffic in new cars: "Opel Corsas" manufactured for General Motors France at the GM factory at Saragossa. This traffic will involve 300 to 400 vehicles a year destined for the French Antilles and French Guyana. Transported to Bruges by Causse-Wallon, they will be placed in containers in the Bruges freight zone by SMTT [expansion unknown] and then sent to Verdon. [Text] [Paris LES ECHOS in French 26 Nov 82 p 18] 9720

CSO: 3519/175

TAX EVASION STATISTICS POINT TO EXTENT OF PROBLEM

Athens I KATHIMERINI in Greek 15 Dec 82 p 5

[Text] The official data communicated by the Ministry of Finance--and published on 14 December--relating to the participation of the population's different classes in state revenues from income taxes give the picture and the exact extent of a situation which is abnormal and unjust, but also manifoldly harmful and negative for the country. It was time for this situation to become more widely known and comprehended; it not only has a restraining effect on the healthy development of the national economy and the healthy formation of the public finances, it is also becoming a contributor to malignant and qualitatively unhealthy changes in the composition and stratification of Greek society with consequences which, in the long-term, may prove fatal for our national hypostasis itself.

According to these statistics, approximately 59 percent of wage-earners have a part in state revenues from income tax, while the participation of commercial, industrial and handicraft enterprises amounts to only 25.2 percent, and the participation of liberal professionals to only 10.7 percent. To make this scandalous differentiation even bigger, we cite--always from the official data--the average yearly taxable income in each category: 435,000 from salaried services; 235,000 from commercial enterprises and 236,000 from liberal professions.

Where tax evasion is found is acknowledged by the Ministry of Finance, by the data revealing that wage-earners declared 66.6 percent of their income subject to taxes, businessmen and investors, 22.1 percent, and liberal professionals, 6 percent! That is, according to the ministry, in the two last categories, 78 and 94 percent, respectively, of the taxable income remains undeclared--and therefore untaxed!

In fact, the last category contributes less than pensioners. More specifically, to the total state revenues from income tax of 71.3 billion drachmas, pensioners contribute 11 billion, while for liberal professionals the figure is 7.6 billion.

Specific analyses are needed here. The category of liberal professionals includes not only doctors, lawyers, engineers and professionals in general (who also evade taxation to a percentage) but also other branches, such as plumbers, taxi-drivers, independent builders, builders' or craftsmen's assistants, dyers, craftsmen who devote themselves to various businesses dealing with the automobile and maintain related workshops (machine shops, tin-shops, vulcanizers, etc.), "domestic workers," etc.

The professionals in these branches never--or almost never--give receipts for the payments they collect or, if and when they do give a receipt, the amount recorded is a small fraction of that which they really collect.

These "professionals" sometimes even behave coercively. For example, in quite a few automobile or tinsmith's workshops, if one asks for a bill or receipt, he is overcharged with a significant additional amount, and in certain cases he is no longer accepted as a customer. The receipts of plumbers or other craftsmen (locksmiths, carpenters, plasterers, etc.) are well-known. And all the above are facts of common experience. We will add--for those who do not know, and to give an illustration of the income in that category which is taxed the most inadequately--that the income from each taxi (with the method of multiple hirings, and the whole irregular situation prevailing in the area) is on the order of five or six thousand drachmas--which are not declared anywhere, nor recorded, at least for the most part.

If we add to these the fact that most commercial shops of every type, in Athens and the provinces, do not give a bill or receipt, one has an approximate idea of the--huge--total income which remains untaxed....

9247

CSO: 3521/122

BRIEFS

UNEMPLOYMENT FIGURES--ATHENS, Greece, Dec. 3, (AP)--Almost 220,000 Greeks, representing six percent of the country's 3.6 million work-force, are presently unemployed and most of them are aged under 30, according to official figures published Friday. Unemployment is highest in urban areas, totalling 11.1 percent in the northern city of Thessaloniki and eight percent in the Athens region, Theodore Katsanevas, president of the State Manpower Organization, said in a special report. He predicted Greece's jobless rate would rise to 10 percent during 1983. Workers aged between 16 and 30, who make up one quarter of the workforce, account for 62 percent of the total unemployed, Katsanevas said. He said the figure were not exact because many out of work Greeks don't bother to register as unemployed. Katsanevas added that under-employment would remain a serious problem in Greece, because of the nature of its economy. Farmers and seasonal workers in construction, tourism and agribusiness make up around 40 percent of the Greek labor force. [Text] [Athens ATHENS NEWS in English 4 Dec 82 p 1]

CSO: 3500/319

ULAGAY EYES IMPACT OF PRIVATE SECTOR DEMANDS

Istanbul CUMHURIYET in Turkish 15 Nov 82 p 6

[Article by Osman Ulagay: "Squeaking Hings"]

[Text] Our private sector, it seems, has at least two different images. One is the image the private sector's representatives try to project in debating general economic policies and principles. Looking at this image, one can perceive a private sector in favor of free competition and opposed to state intervention in all areas, a sector in favor of an anti-inflationary money-credit policy and a disciplined cost policy and ready to sacrifice its own interests to the good of the nation.

When there is a question of our private sector's own concrete, day-to-day problems, however, the image it projects is pretty different. Then the consistent, responsible attitude committed to known principles cultivated in the first image is seen to be completely replaced by an unprincipled attitude based on the "squeaking hinge" principle.

We find in the package of demands recently presented to the government a concrete example of this second image of our private sector. Take a look at what our private sector is demanding from the government:

- Macro policies to salvage troubled companies.
- Quick payment by the state of its debts to contractors, farmers and the marketplace.
- Partial revitalization of the marketplace.
- Low-interest credit as an incentive to the housing sector.
- More and cheaper export credits.
- Special medium-term credits to cover exchange rate differences.
- Lower credit and deposit interest.
- Lifting the tax on bank and insurance transactions.

--Reduction to 15 percent of income tax withholding on banking procedures.

--Lower taxes and fees in the construction sector.

--Passage of a new currency-value law.

--No taxes on trading in stocks and bonds.

--Higher tax rebate on exportation.

--No compulsory purchase of state bonds by business.

What is needed to fulfill all of these demands?

--Paying state debts to contractors and farmers, which according to Mr Kafaoglu amount to at least 50 billion liras, and reviving the domestic market even partially will require loosening the money-credit reins.

--Salvage operations would be another strain on Central Bank resources.

--The state would have to provide billions of liras in interest subsidies to reduce interest rates and provide credit at preferred rates to certain sectors.

--The state would have to give up perhaps hundreds of billions in tax revenues. By a rough estimate, tax losses of 90 billion liras would be expected in banking and insurance transaction taxes alone and 25 billion from devaluation.

Now let's get down to the brass tacks. Would any trace remain of the anti-inflationary money-credit policy, of the disciplined cost policy, of a budget based on sound resources, of stability within the free market order if all these things were done? Of course not.

While this is true, the person in the most responsible position, the distinguished minister of finance, is able to say in assessing these private sector demands: "There is a parallel between the matters you bring up here and preparations we are making. Every time we start making preparations on something, you start demanding solutions on those very matters."

It is perhaps possible to attribute this kind of approach by Mr Kafaoglu to the demands of the private sector to the diligent caretaker in the spirit of "the squeaky hinge gets the oil." On the other hand, we know that Mr Kafaoglu is extremely particular where higher multipliers affecting civil service salaries and wage increases are concerned. Kafaoglu and government spokesmen take every opportunity to stress the need to "proceed with caution" on wage and salary hikes on the rationale that they "stimulate inflation."

At this point, one can only ask the question: How is it that an economic administration this particular about wage and salary increases can say, "We are thinking the same thing," in response to demands by the private sector all of which seem inflationary? Has controlling inflation been abandoned? Or is it a case of thinking that the resources that would be transferred to the private sector through the measures that would be taken to mollify that sector would once again be paid for by the others through new taxes and "belt-tightening" measures?

ECZACIBASI INTERVIEWED ON FUTURE OF BUSINESS

Istanbul CUMHURIYET in Turkish 28 Nov 82 p 6

[Interview with Eczacibasi Group President Nejat Eczacibasi; date and place not specified]

[Text] Who is Nejat Eczacibasi?

Nejat Eczacibasi was born in 1913. After completing his high school education at the Robert College in Istanbul he went to the Heidelberg University in Germany and received a bachelor's degree in chemistry. He graduated with a master's degree in chemistry from the Chicago University and then did his doctorate at the Berlin University. Eczacibasi has published two works on the subject.

Eczacibasi entered the business life in 1941. He started by manufacturing cod liver oil in a small apartment. Later, he was involved in the industries of medicines, ceramics, paper, health products and food and resource technology. In 1974 Eczacibasi entered the financing field by setting up an investment holding company. Nejat Eczacibasi is currently the chief executive officer of the Eczacibasi Group which is also involved in oil exploration in partnership with other firms.

Our guest this week on "Economic Dialog" is Dr Nejat Eczacibasi, the founder of the Eczacibasi Group which marked its 40th anniversary last week. We discussed with Eczacibasi the past, the present and the future of Turkey's industrialization efforts.

Question: Honorable Eczacibasi, you being a person who has experienced the entire course of the industrialization process in Turkey, I would first like to ask you the following question: How did the idea of industrialization come about in the Turkish Republic and how did it develop?

Eczacibasi: In my opinion, the decision to industrialize Turkey was taken at the Izmir Economic Congress in 1923. At that meeting, it was envisaged to industrialize and develop the country through private enterprise. But at that time there was neither an entrepreneurs' group nor the necessary accumulated capital. Of course, there were historical reasons behind that. We have remained behind the West in two respects: In our social and cultural life we did not have a reformation or a renaissance, and in our economic life we did not have our own industrial revolution.

Consequently, the ideas of 1923 remained only ideas until the 1930's. When the world entered a crisis period in the 1930's, the need to do something in Turkey became even more urgent. It was within this environment that Ataturk realized the need for government economic organizations and subsequently these organizations were set up. World War II erupted at the close of the 1930's and had a major effect on Turkey's industrialization. I entered business life around that time.

Question: That is what I wanted to come to Honorable Eczacibasi. How did the idea of becoming an industrialist develop in your mind? Did the conditions and needs of the time have a role in this process?

Eczacibasi: I had studied chemistry in Germany and I was contemplating entering industry. I was thinking of entering the drug manufacturing field to remain faithful to the family tradition. The war years gave me this opportunity. The vacuum in the market in those years provided a lot of opportunities to enterprising people. For example, the first product I developed was a preparation which I realized was in short supply in the country and about which I had learned in the course of my education. At that time, the elderly believed that they could weather the winter more comfortably if they drank cod liver oil. The oil itself existed in Turkey. I devised a way producing the desired cod liver oil extract by titrating the necessary vitamins into the oil. In an apartment in Aksaray, I manufactured this oil as well as a baby food which was in demand but could not be found on the market and a coffee cup which also could not be found on the market.

Question: Was not the consumer distrustful of these products which until then were imported?

Eczacibasi: We still have that tendency in Turkey today to a certain extent, but when we were just starting to industrialize the resistance against a locally made product was much greater. In general, I find that resistance to be justified. I do not agree with the approach, "a locally made product can be only this good; use this product because it is yours." I particularly do not agree when that approach is applied to medicines. There is no good or bad medicine. A medicine is either good or it is not medicine.

Question: Did not this resistance against local industrial products have an adverse effect on your efforts?

Eczacibasi: It certainly did. When I applied to the Turkish Industrial Development Bank to help me build the factory in Levent, the board of directors of the bank turned me down immediately. Because even if the directors themselves believed that good medicines could be manufactured in Turkey, they doubted if the rest of the society would believe that. Since they knew that a product the society did not believe in would not sell they did not want to extend any credit for that purpose. I eventually overcame that obstacle with a lot of difficulty. I think what I said proved to be true in the end. I said that if you can explain and show to the people that the work here is done exactly the same way it is done in the West then the people's resistance against local products will be broken. I think that the fact that today we have a pharmaceutical industry in Turkey which fully meets our needs shows that what I said then was true.

Question: You started manufacturing drugs and then, beginning with a coffee cup, you expanded into manufacturing ceramics. In this process of expansion, your subsidiaries grew and created new subsidiaries. How did this happen? Can you explain us this process?

Eczacibasi: The industrialist's function in society is to create wealth. I think that some of conflicts we are having today are the result of the fact that this concept is not well understood. An industrialist at a more primitive stage can see himself differently and can say, "this is mine." Of course, an organization entrusted to his administration and discretion is "his" only as a tool. It is not his in the sense that he "can do what he knows is best," or that he "can buy or sell the way he likes." An industrialist is doing the right thing if he can say: "What I have created belongs to the society." That is the way I have always looked at it. I made it a principle to plow back all profits into the institution from the time we started manufacturing in that apartment in Aksaray. As our net worth grew our organization gave birth to new organizations. The apartment in Aksaray gave birth to the laboratory in Galata which in turn gave birth to the factory in Levent with the aid of a loan from the Industrial Development Bank. On another front the organization manufacturing coffee cups gave birth to one that manufactured plates which in turn led to a health products plant. By the end of the 1960's we were having large flows of cash which could be channelled into new investments. We entered new fields including paper, food products--which I always wanted to go into--resource technology and packaging.

Question: Did not the high growth rate of our country--beginning in the 1960's--the expanding domestic market and the general economic environment play an important role in this process of creating funds and investing these funds?

Eczacibasi: Of course they did. Throughout the 1960's and through part of the 1970's Turkey achieved growth rates of 6 to 7 percent a year without suffering any significant inflation rates. That was a very important factor. Around the end of the 1970's the market began to test the producer. This, of course, caused certain mistakes and miscalculations. We would have made more sound decisions and projections if we had a normal market system. But we made many mistakes around the end of the 1970's. That aspect of our soft and unrewarding currency which forced industrialists into investments played an important role in bringing about these mistakes.

Question: The strong domestic demand during that period probably also had a role in this.

Eczacibasi: The correct term is "unhealthy demand." The shortages that we had in the aftermath of the 24 January [1980] decisions and the 12 September operation which made the implementation of those decisions possible stemmed from the planning mistakes made in the second half of the 1970's. Had those mistakes not been made we would not have these problems.

Question: Could you not have seen in those days that the cheap credit, the overvalued exchange rate and the abnormal demand conditions could not continue forever and that you had to act and plan accordingly?

Eczacibasi: We could have. But even I, who can admit that "we could have," could not quite see it. That was a period when people could make many mistakes. As you know, even in the West there is a new phenomenon in the last few years called "inflation economy." This environment of inflation is a very unusual situation. In that environment we obviously made some mistakes. That environment forces people to make mistakes. Today's problems are the result of those mistakes.

Question: Since we are discussing today's problems, I would like to ask you about problems encountered by the industrialists.

Eczacibasi: At this stage, we should discuss problems in various industry branches --or even at the company level--rather than the problems of the industry sector as a whole. Imagine a company--my company is a good example--which has accumulated funds, which wants to grow, which has planned its investments and which wants to make them as soon as possible. During its feasibility studies this company has calculated that its existing plants will provide so much "feedback" and so much cash flow. It also has done a net worth-credit analysis and has fixed the price of credit as so much. It has put all these figures on paper and has estimated that it will produce so much at some unit cost and that it will sell so many units in so many years. But suddenly this company finds that the conditions it assumed have turned upside down in the last few years. The recession that has been forced to check inflation has cut into the expected return rate and the cash flow rate. Credit costs have risen to abnormal levels and none of the company's forecasts have come true. Meanwhile, past administrative and logistics mistakes, which were painted over by the inflationary environment, have begun to take their toll. Of course, all these are causing problems today. Those who made fewer mistakes at that time and who chose to go into exports rather than being seduced by the attractiveness of the domestic market are in a better position today. They are the ones having the least or no problems.

Question: Looking at the issue from a perspective of desirability of investments, can we say that the desire and drive to invest has survived the environment of the last few years?

Eczacibasi: In the 1960's any company that accumulated funds would make its normal investments. Today, a slowdown in investments must naturally be expected in companies whose flow of funds has changed as I explained above. Furthermore, we can expect to see a change in the form of investments. We will see that the new investments will be more compatible with the realities of our country. I am convinced that our previous investments plans were erroneous to a certain extent. I am not saying that we should not have any substitute industries; but I am saying that we have attached too much importance to that form of industry. The industries that we set up with the sole purpose of saving foreign currency and without thinking about earning foreign currency have given rise to new foreign currency needs. The added-value calculations we did for the industries we set up were not adequately precise. We know that countries like Japan and Switzerland are where they are now because they did their calculations right.

Question: What then do you see for the future? Are we going to be able to move toward the better from where we are now?

Eczacibasi: In my opinion, Turkey will draw positive conclusions from the current crisis and will eventually attain a better position. It is said that in Chinese, where words are formed by ideograms, when the ideograms for "fear" and "opportunity" are combined the word "crisis" is formed. I think that the crisis we are experiencing gave us the opportunity to see new possibilities. The move toward planned investments, for example, is a result of this situation. To use a medical metaphor, Turkey was very sick; some doctors came and diagnosed the disease correctly. The 24 January decisions were a correct diagnosis and a correct method of treatment. Of course, the more advanced a disease is the deeper the surgery cuts will go. In our case, we underwent extensive surgery. The patient as well as the patient's guardian screamed with pain. But we chose surgery in order not to die. Now we will have to remain under intensive care for some more time; we must understand that we still have problems and that we will suffer some more pain. But I think that the patient will eventually be even healthier than before and that we will have a stronger industrial structure. That is because deep down the patient has a good body.

Question: Honorable Eczacibasi, I am certain that in 40 years as an industrialist you had some very big problems and at times you were greatly satisfied. When you look back on those 40 years, do you ever feel sorry for becoming an industrialist?

Eczacibasi: By disposition, I have always taken pleasure from creating something. In that respect, being an industrialist gave me a lot of satisfaction. But if you insist, I would say that the practice of medicine would be my preferred profession. The satisfaction obtained from restoring a patient to health cannot probably be found in any other profession. Also, I had some very testing times in my business career. In the industrial community I came across many individuals whose approaches were exactly the opposite of mine, and there were many moments when I wished I had chosen the medical profession. Even so, I cannot say that I am sorry for becoming an industrialist.

Question: Lastly, I would like to ask a somewhat different question. In this period when Turkey is making a transition to the multiparty system do you think that it would be beneficial for businessmen and industrialists to play an active role in politics?

Eczacibasi: Let me first state that politics is an inseparable part of our everyday life. Businessmen as well as non-businessmen take an interest in politics. I have never agreed with the view, "I do not vote, brother." The administration of this country is an obvious necessity. I have never been a member of any party and I am not thinking of being one. Why is that? Because I do not want to be tied to anybody; I do not want to be influenced. In every election, I vote for the party that I believe will be the most beneficial. Furthermore, in this current economic phase most large institutions are in private hands. Without mentioning real names, large institutions are still known as "Mr Ahmet's holding or Mr Mehmet's holding." Which means that the institutions are directly controlled by individuals. Now, holding owner Mr Ahmet may be a very talented person, and one may think that if a person of that caliber served in government he would make a very successful minister. But if a friend suggested that to me I would caution him against it. Because the decisions this man would make as a minister would have some effect on the institution he owns. Then it would not be very credible to say that "he is

a very sincere person." Having such thoughts in mind, what good would the decisions of such a man do? Consequently, I am strictly opposed to political activity and especially the formation of political parties by individuals who own big businesses. This does not mean businessmen should not enter politics. Today, we have such brilliant administrators in the private sector that I would personally invite them to enter politics and tackle the economic issues.

9588

CSO: 3554/78

UNCERTAINTIES SPARK RENEWED CONSUMPTION OVER SAVINGS

Istanbul CUMHURIYET in Turkish 27 Nov 82 p 6

[Article under heading "ECONOMY" with no author's name: "Expectation of price increases becoming added stimulus to consumption"]

UNCERTAINTY ON SUBJECT OF BANKS AND INTEREST RATES SPURS CONSUMPTION

Payment of interest on business accounts as well as increase in interest rates of current accounts foreseen]

[Text] Economics Service - The delay in the revisions talked about in connection with banks and, at this point, widespread rumors that interest rates will drop, have sent the price of gold soaring on the one hand while, on the other hand, stimulating a trend toward consumption rather than saving. It is also pointed out that price hikes, following one after another, are a factor in the resurgence of this tendency toward consumption. At a time when word is spreading that the cost of a variety of everyday household goods will rise, those who have some spending money left at the end of the month, purchase more than their immediate needs of some kinds of goods, in an attempt to stock up.

READJUSTMENT OF INTEREST RATES

While new regulatory work concerning banks is in progress, work is also being done to set new interest rates on credit and on deposit accounts. According to news from the ANKA agency, the interest rate revisions prepared by the Ministry of Finance, which in the near future will be reviewed by the Monetary and Credit Council and then by the Interministerial High Economic Council, foresee payment of interest on commercial accounts and, at the same time, the raising of interest rates on demand deposits from the current 5 percent to around 10 percent..

While payment of interest on demand deposits aims at preventing savings from sliding on a large scale into fixed deposit accounts, it is also planned to lighten the banks' interest burden. However, opposition to the Ministry of Finance's project of "setting the shortest term at a minimum of 6 months, for fixed deposit accounts," which would give real meaning to such a measure, comes from the State Planning Organization, which defends the continuation of the one to three month term regulation, on fixed deposit accounts. The State Planning Organization rejects the idea. It is pointed out that a decision on this question will be formulated by the Monetary and Credit Council.

On the other hand, to enable banks to lower [capital] source costs, the possibility of lowering interest rates on fixed deposit accounts, to parallel inflation levels, will be created. With this end in view, the banks' right not to conform with freely determined common interest rates, will be stipulated. Also under consideration is permitting early implementation of the revised interest rates which, normally, should only enter into force 6 months after their declaration.

While work connected with regulating interest rates is in progress, means of lowering interest rates on credit, without further lowering interest rates on deposits, are being studied. To this end, the possibility of lowering the banks' stoppage and transaction taxes, is being considered.

It is noted that it will be impossible to stem the trend "to revert to consumption" becoming evident in the population without first affording a sure future to the banking reforms and, especially, to interest rates on deposits. In order to encourage people to start saving again, it is essential to secure new confidence in the bank-banker system and to match, without fail, the interest rates on deposits paid to the "saver" with the rate of inflation. It is pointed out that if this is not done, economic balances which we have attempted to protect meticulously during the past two years, might be upset.

12278

CSO: 3554/79

RATIONALE OF PRICE HIKES FOR HEALTHY ECONOMY QUESTIONED

Istanbul CUMHURIYET in Turkish 29 Nov 82 p 6

[Notes on the economy by Osman Ulagay 'The merits of increases and Democracy']

[Text] A rash of increases, the like of which had not been seen in Turkey since January 24 1982, took place during the past week. The large price increases in petroleum products followed to price increases in a great many goods and services. And it seems inevitable that the days and weeks lying ahead of us will bring with them new increases.

The comments of those in decision-making positions, concerning these increases which will greatly affect the lives of almost every Turkish citizen, were as much a cause for concern as the smallest of the increases. According to these officials: such increases cannot even be said to be increases, they are beneficial increases, there was no other solution but to make such increases.

At one time, to understand whether such increases should be called increases or not, it was enough to be an "average Turkish citizen". It was not necessary to be a scholar, especially for Turkish citizens who had to manage on their wages or their salary, in order to understand the implications of riding on more expensive buses, minibuses and jitneys, paying more for electricity, buying coal or bottled gas at higher rates, eating a lot of basic foodstuffs at steeper prices. To the greater part of the population, these increases were like honey or, rather more accurately, these increases were like poison.

Inevitably, such increases once again set back the buying capacity of large segments of the population--wage earners most of all. And, under present day conditions, one cannot see any prospect for wage earners obtaining raises on a scale that would compensate for the setback in their buying power.

In such case, for whom were those increases "beneficial"? Why were they "imperative"?

According to officials, these increases were "beneficial" and "imperative" from the perspective of a healthy economy. And since, sooner or later, a healthy economy affected the people, such increases must also be good for the people.

At this point it becomes necessary to stop and think once more. Within an economy that could in no way achieve abundant and cheap production, is it a sign of health or proof of ill health to have fairly large-scale hikes in the price of basic goods? In an environment where claims of monetary inflation are widespread, do such price hikes cure inflation or make it worse? If, to make it possible for the economy to "recover," the citizen's pocket must go on being squeezed to the point of annihilation and if new sacrifices are required every day from the citizen, what meaning does the "recovery" of the economy have for him? Wouldn't he say "Enough already, let my own economy become a little healthier"?

During the transition to democracy, this last question in particular gains great importance. The various segments of society that in recent year have had to sacrifice their own personal economy for the "recovery" of the national economy, are now thirsting for news that their pockets will be noticeably strengthened and their buying capacity increased.

Essentially, this is a perfectly natural impulse and expectation. In almost every democratic country where "belt tightening" monetarist policies have been implemented, for those who are implementing such policies chances of being elected are becoming dim. The voter's patience is running out on the allegedly necessary period for achieving "success" with these policies. The voter who makes sacrifices for one or two years, after that expects results that will strengthen his own economy, his own pocket. President Reagan's recent electoral defeat constitutes the latest example on this subject.

If democracy is to be established in Turkey, with a truly "representative" character reflecting the voter's wishes in the political arena, it is essential to take this factor into account. Far more importance must be given to a balance between the expectations of the various segments of the population and the general health of the economy. If sacrifices are going to be required from the people, it is fitting to explain to them openly and candidly the reasons for such sacrifices and how they are to be shared by the various sectors.

When continual sacrifices are being expected from a large proportion of the population for the "recovery of the economy", it is undoubtedly far from easy, within the context of a representative democracy, to protect and perpetuate an economic approach which spends billions to save individual or family businesses.

12278

CS0: 3554/79

ECONOMY REVIEWED IN LIGHT OF REFERENDUM

Istanbul DUNYA in Turkish 15 Nov 82 p 1

[Editorial]

[Text] For more than 2 years, the Turkish economy has been trying to eliminate its bottlenecks by turning to exportation. Exports are beginning to play an important role in the Turkish economy as an "antidote" to both shrinking domestic demand and the scarcity of foreign exchange. One cannot say, despite all the drawbacks as to the production and marketing of exportable goods, that Turkey's export offensive of the past 2 years has been unsuccessful. Whether this offensive continues to succeed and sustains its momentum depends largely on the consistency of state policies. However, "signals" being sent by the exportation sector recently indicate that some problems exist in this area.

A DUNYA report, published last Tuesday under the headline "Exportation on the Verge of Serious Bottleneck," draws attention to the risks in this area. The declining growth rate in production, hitches in the allocation of export credits and, most important of all, doubts about the continuity of export incentive policy are having a negative effect on exportation. Increases appearing now in export figures, according to the views of authorities in the sector, reflect older commitments that take a certain amount of time to show up in the statistics.

One cause of this tightening in exports, doubtless, is the growing world tendency toward protectionism which has seized a firm hold in the European Economic Community, Turkey's most important trade partner. There are political routes open to Turkey for putting trade with the EEC nations on a mutually beneficial basis. A major reason for this is that Turkey has no small place in the overall trade volume of the EEC countries. It must not be forgotten that, owing to the foreign payment difficulties Turkey experienced from 1978 to 1980, many companies, in Germany for example, encountered financial difficulties and some even went bankrupt.

The public was apprised in a DUNYA report on Saturday that it had been decided by the government that Turkey should play its marketing "trump" against the EEC nations. The government decided that measures such as setting quotas should be introduced by stages on specific items imported from the EEC nations. One can expect that it will not be very long, with proper diplomacy, before these measures pay off.

What business basically hopes for in the midst of all these developments is that the uncertainties would be eliminated. Union of Chambers President Mehmet Yazar said at a meeting of private sector representatives with Prime Minister Bulend Uluşu, "We are seeing a slowing down and relaxation in management of the economy." It is necessary to revive the dialogue between the government and the private sector, which has particularly flourished in the past 2 years with tangible positive effects on the economy. We respectfully submit, as pointed out in the "Gunluk" column in DUNYA on 9 November, that the first short-term positive effect of the public referendum, indeed one clearly overdue, should be that many matters left "until after 7 November" will be placed immediately on the agenda.

8349

CSO: 3554/58

BRIEFS

NORDIC COMMUNISTS DEMAND 'ZONE'--The Communist parties of the Nordic countries are agreed about consolidating their collaboration toward the attainment of a proclamation to establish the Nordic countries a zone devoid of nuclear weapons. In a communication released from a two-day conference, the delegations of the Communist Parties of Finland, Sweden, Norway, and Denmark stressed that the Nordic countries should initiate official negotiations for the attainment of the zone. The representatives of the Norwegian and Danish parties stated at the conference, which was held at Karjalohja, that opposition to the financing required by the NATO Euromissile decision has increased in its member countries. The Nordic communists consider the most important of their current tasks to be the campaign for peace, for the alleviation of tension, and for disarmament. In the currently aggravated situation the parties stress the adoption of a plan for the attainment of a European security conference. A decision aiming toward that goal is expected at Madrid. In an evaluation of the internal political situation in each of their countries, the delegations felt that the crisis within the capitalistic system had deepened during recent years. The crisis can be surmounted, according to the communists, only through deep-seated social reforms that override the present framework of the system. Each party has its own program concerning these reforms arising from the needs of the country and the people. The chairmen of the four Communist Parties participating in the Karjalohja meeting were Jouko Kajanoja of Finland, Lars Werner of Sweden, Jorgen Jensen of Denmark, and Hans I. Klewe of Norway. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 2 Dec 82 p 8] 5955

CSO: 3617/41

COMMENTS ON MEETING BETWEEN ARCHBISHOP, PRESIDENT

Unbridgeable Gap Reported

Nicosia I SIMERINI in Greek 10 Dec 82 p 1

[Text] The gap between Archbishop Khrysostomos and President of the Republic Kyprianou continues to be unbridgeable. According to special reports received by I SIMERINI, this is evident following yesterday's meeting between the archbishop and President Kyprianou at the presidential offices.

According to an official announcement, at this meeting "matters of cooperation between the Government and the Church were discussed. Also (the two men) exchanged views on the national question."

According to our same reports, a lively discussion took place between the archbishop and the president on the national question. The archbishop reiterated his well-known positions concerning our problem, and he called on Kyprianou and his government to follow the policy of the Greek government on this.

According to the same reliable reports received by I SIMERINI, the archbishop stressed to the president of the Republic that an agreement of views between them will be possible only when Kyprianou falls into line with the policy of the Greek government and harmonizes his own policy with it.

According to our same reports, the meeting between the archbishop and Kyprianou was realized through the mediation of a third party, a friend of the president. The green light for this meeting was given following the dedication of a bust sculpture of President Makarios last Sunday at Strovolos.

Dialogue Should Continue

Nicosia O AGON in Greek 12 Dec 82 p 1

[Excerpts] We do not intend to share in the apprehensions and fears of certain people who have been quick to express their anguish over the recent meeting which was held between the president of the Republic and Archbishop Khrysostomos.

On the contrary, we do not hesitate at all to assert that this special meeting, which took place in a period characterized by coolness in the relations between the leader of the State and the primate of the Church, constitutes a positive event and an encouraging development.

And in fact we add that the dialogue which has begun between Kyprianou and His Beatitude not only should not be restricted to just one meeting, but should be continued, with sincerity and good will on the part of both sides.

We ourselves choose to regard as sincere the initiative of those who brought the president and archbishop to the same table, for the purpose of beginning a constructive dialogue between them--a dialogue which among other things will be conducive to the cause of unity.

And not only should this dialogue continue between the leader of the State and the leader of the Church, but it should be broadened by contacts between Kyprianou and all the political heads and by contacts among all the political leaders.

The election-campaign period is not an obstacle to this. On the contrary, perhaps it makes even more urgent the development of such a dialogue, which surely will be conducive to the prevalence of a calm political climate and to the development of a democratic discussion.

Of course, we do not shut our eyes to the facts. And we cannot expect an early settlement of the differences and the achievement of a general unity.

An insurmountable obstacle in the way of such a development is the Minimum Program, which constitutes the root of this evil and the source of the present division. As long as this program exists, we cannot hope for a positive development with respect to these domestic differences.

But we do have the hope that sooner or later those who have put up roadblocks to unity will realize, or will be made to understand, the tremendous damage which they are causing and will proceed to unblock the road which leads to reconciliation and a restoration of harmony.

The Minimum Program, a product of election-campaign expediences and not of national need, an artificial concoction and a source of division, is foredoomed to collapse and die. Undemocratic machinations do not live long. And its collapse will unblock the roads which lead to the achieving of unity. Because the people want to be united. And they will be united.

12114

CSO: 3521/127

AKEL SEEN PREVENTING DIKO TO MOVE TOWARD WEST

Nicosia O AGON in Greek 15 Dec 82 p 2

/Editorial: "Not Convincing"/

/Text/ DIKO /Democratic Party/ has once again undertaken to answer for the government charges that the government's cooperation with AKEL discourages actions by the West to settle the Cyprus issue. And misjudging the fact that it is only the small party in the partnership, it says that "for the exploitation and positive activation of the western factor, the government will continue to struggle" and that "it is the first to hail any constructive initiative by the West for settling the Cypriot problem within the framework and under the aegis of the United Nations."

These statements are simply not convincing. This is so because they are outside of the realm of reality.

So as "to continue to struggle," the government must first of all state how it has struggled up to now. What concrete actions it has taken to succeed in the exploitation and positive activation of the western factor.

It cannot point to any action in that direction. The only movement it made was in the direction of Mr Brandt, and that took place before the creation of the partnership when a common line and agreement with Papandreou was in effect for the repositioning and internationalization of the Cypriot issue.

After the partnership was established, even this effort was abandoned.

There is no question of there being any kind of effort to the West because AKEL does not permit it. The government is not in a position to carry it out because it must reckon greatly with AKEL's reaction which does not believe that any kind of positive initiative can come from the West.

AKEL's position from the very outset has been that only imperialist plans for the imposition of a solution can come from the West.

Consequently, so long as President Kyprianou needs AKEL's support to remain a government --and this need will not disappear the day after the elections if Mr Kyprianou were to be re-elected-- he does not intend to do anything that could dissatisfy his partners.

Neither does he intend to hail any western initiative nor go so far as to accept it.

He himself knows this weakness and so does the West.

Consequently: The conclusions are self-evident.

5671

CS0; 3521/126

PAME COMMUNIQUE REJECTS COOPERATION WITH AKEL-DIKO

Nicosia I SIMERINI in Greek 13 Dec 82 p 12

[Excerpts] The first PAME [Pancyprian Renewal Party] congress took place yesterday at the Othello movie house in Nicosia. In a political communique approved by the 500 and more PAME delegates any form of cooperation with the [AKEL-DIKO /Democratic Party/] partnership is rejected, maintaining that "the accomplished facts of the minimum program cannot be accepted."

Subsequently, PAME maintains that "it is aware of proposals by one segment of the partnership to plan ways to essentially abolish or replace the minimum program at the proper time. However, besides the minimum program, in the way and for which purpose it came about, it acts contrary to the all-national rallying, it does not offer guarantees that it will implement it, it confirms the splitting of democratic forces, it seeks the debasing and subjugation of other democratic forces and it promotes its own ideological and class polarization.

"It is mainly for these reasons that PAME cannot consider the AKEL-DIKO partnership as replacing all-democratic unity and consequently it cannot support it."

Next, the PAME announcement states that it considers Mr Papandreou's Greece of Change "as the most consequent, decisive and ardent supporter" of Cypriot Hellenism. Then, PAME expresses "its great concern and sorrow because the Cypriot Government, through actions that have no relation with the national interest but with short-lived interests and machinations, has violated the joint Athens-Nicosia line and has thus neutralized to a great extent Greek support."

As far as the national issue is concerned, PAME repeats its well-known position, while it agrees with the abolition of the guarantee treaty and the revision of the settlement treaty.

After his speech, Dr Sofianos, party president, was re-elected president. A new party central committee was then elected. The congress work ended with the reading and approval of resolutions addressed to the prime minister of Greece and to the UN secretary general.

5671

CSO: 3521/126

EDEK ACCUSED OF SEEKING GREEK PROTECTION

PASOK Seen 'Crutch'

Nicosia KHARAVGI in Greek 13 Dec 82 p 1

[Text] Using borrowed crutches--those of PASOK--the EDEK of Lyssaridis is hoping to expand its meager 8.1 percent of the votes. Thus, after it failed to persuade the common people to vote for the "peoples' reconciliation" in Famagusta's second election, now EDEK is turning to officers of PASOK to persuade the people about the correctness of its party line!

Thus, following Mr Manikas, now it has conscripted Loukas Apostolidis ("a top-ranking officer of PASOK" according to TA NEA), who has toured with officers of EDEK to election-campaign rallies in Dromolaxia, Kiti, and Mazotos.

This has occasioned political circles to emphasize yesterday that such a direct and open intermeddling of PASOK officers in the election campaign in Cyprus is unacceptable and tends to disturb the relations of close cooperation between the governments of Greece and Cyprus.

The same circles were wondering how pleasant it would be to the Greek political world--and especially to PASOK--if during the election-campaign period in Greece Cypriot political figures went there and took part in rallies and party tours, siding with one or another party and criticizing the policy of the government.

Finally, these political circles were expressing the conviction that this phenomenon will be brought to an end soon, above all for the sake of preserving the prestige and reputation of those who are alleged to be sending these various "paratroopers" here.

Charge Rejected

Nicosia TA NEA in Greek 16 Dec 82 pp 1, 3

[Excerpts] Two distinguished officers of PASOK, two first-rate fighters--Stefanos Manikas and Loukas Apostolidis--have been insulted by the political cartel.

These top-ranking officers of the socialist party were slandered by the KHARAVGI.

We have pointed out to the KHARAVGI that the Socialist Movement is not a troop of undisciplined irregulars, in which everybody does as he pleases.

We have pointed out to the KHARAVGI that it is the decision and the voice of the PASOK Executive Office which is being conveyed by its representatives. That it is an unconditional right of the socialist party of EDEK and of the leader of the socialist forces of Cyprus, Vasos Lyssaridis, to align themselves in the struggle for national independence with kindred parties, especially with PASOK, the socialist party of Greece.

Just as it is an unconditional right of all parties to associate with those parties which have the same policy and philosophy. Moreover, this is something which AKEL has been practicing for a number of years with the communist parties-- and something which it is especially proud of.

The cartel, which has not hesitated to engage in the most indecent name-calling against Papandreou, also does not hesitate to insult as well whoever is representing PASOK in Cyprus and accompanying the presidential candidate, Vasos Lyssaridis.

If the cartel is beginning to feel scared as the election approaches, it will not find a solution to its problem by resorting to its well-known insults directed toward the socialist parties of Greece and Cyprus.

And above all it has no right to talk in terms of threats to "stipulate" the dimensions and the extent of the mutual help to be given by the socialist parties in their common struggle and their common orientation.

12114

CSO: 3521/127

POLITICAL

CYPRUS

BRIEFS

IMPROPER ELECTORAL CAMPAIGN REPORTED--Democratic Rally, through its president Mr Glavkos Kliridis, as well as EDEK [United Democratic Union of the Center], through its secretary general Mr Takis Khatzidimitriou, have lodged a complaint with Minister of Interior Khristodoulos Venianim over specific cases of threats and intimidation of citizens to join DIKO [Democratic Party] and support the candidacy of President Kyprianou. The charges were made during the meeting of the Internal Affairs Committee of the House with Mr Veniamin yesterday in the House office. According to the same information, the two parties suggested the setting up of two committees, one to look over and see to it that the elections will be honest, and the other to check on RIK [Cyprus Broadcasting Corporation] to be sure there will be equal time to promote all views on the presidency. Mr Veniamin promised that he will not hesitate to take all necessary steps to ensure and guarantee honest elections. [Excerpts] [Nicosia 0 AGON in Greek 12 Dec 82 p 1] 5671

CSO: 3521/126

PROSPECTS FOR FDP, LIBERAL SPLINTER GROUPS CONSIDERED

New Groups Weaken FDP

Hamburg DER SPIEGEL in German 6 Dec 82 pp 63, 66-68

[Text] William Borm, 87, Berlin liberal of long standing, was putting a damper on the rising enthusiasm. It is "easy," he warned his jubilant followers, "to found a party," but "very difficult to convince the voters of its necessity."

The easier part was accomplished by two political groupings within 24 hours. They are unlikely to master the second part of the job.

Sunday a week ago, West German leftists and liberals, who had become politically homeless, organized themselves into new alliances:

--In Bochum, more than 1,000 former Free Democrats, who left the FDP in protest against Genscher and Lambsdorff, founded the "Liberal Democratic" Party (LD), electing former FDP deputy in the Hessian Landtag, Ulrich Krueger, as chairman.

--In Muenster, about 400 leftists not affiliated with any dogma joined former SPD Bundestag deputies Manfred Coppik and Karl-Heinz Hansen to form the "Democratic Socialist" Party (DS), which will support "parties and persons left of the SPD."

A third group, the "Liberal Alliances" [LV], wants to be a social-liberal rallying point for FDP deserters and unaffiliated free thinkers. Helga Schuchardt, former FDP Bundestag deputy, has agreed to head it.

The members of the three groupings, who all want a majority to the left of the union, may very well achieve the opposite effect: a splintering of the organized left and a strengthening of the new Bonn coalition of the CDU, CSU and FDP.

The voter potential has long since been distributed, between the Social Democrats and the Greens; what is left may at best be enough for splinter groups. If the DS and LD should run in the 6 March elections, the "two

together would probably hardly get 1 percent of the votes," estimates Werner Kaltefleiter, the CDC election pollster from Kiel.

The "Bochum decision" is "unpolitical at the core" and "individualistic in a good liberal fashion," former FDP secretary-general Guenter Verheugen criticizes; in practical terms, "existing majority relationships in Bonn" would be "stabilized." Verheugen to the Liberal Democrats: "Every vote for you helps Strauss."

Meanwhile, all three groups are without a program, and whether the two parties will ever put their names on the ballot is still an open question. The DS wants, at most, to stir up voter sentiment in favor of the Greens in the March Bundestag elections. The LD will not make a decision until January, and LV's Chairwoman Schuchardt is currently campaigning in Hamburg for SPD Mayor Klaus von Dohnanyi.

Desertion of the Free Democrats will push Genscher's party further to the right and presumably out. According to the most recent opinion polls, the FDP will get 3.6 percent of all FRG votes; since the Bonn change of course, it has lost thousands of members. Now, the daily DIE WELT suggested, Genscher can "shape" his party "at the only place which holds out the promise of life and a future: to the right of the CDU and the CSU."

Keeping distance from the left had already been accomplished by the remainder of Genscher's party last week: Those who are joining in with the LD--the FDP Federal Executive Committee announced--are working "against the party of political liberalism" and cannot, "at the same time be members of the FDP." Followers of the LV would now have to make a decision for or against the FDP. In North-Rhine Westphalia, the FDP's Land Executive Committee has reached the conclusion that membership in both organizations is incompatible: LV members must leave the party.

With the exodus of the party's leftists, social liberals who stayed in the FDP are losing their basis. "More resignations"--members of the committee and Bundestag deputies complained in an appeal ("liberals, stay in the FDP")--would weaken the position of the Free Democrats who had opposed the change in the coalition. Genscher critics such as Gerhart Baum and Uwe Ronneburger are meanwhile a minority that carries no influence.

In the meantime, a base is also missing for those FDP deserters who have announced their changeover to the SPD. New buddies Ingrid Matthaeus-Maier, Guenter Verheugen and Andreas von Schoeler, who are planning to move into the next Bundestag as SPD candidates, are by no means sure of getting a promising spot on the party list.

It is true that the chairman of the SPD district committee for Southern Hesse, Willi Goerlach, intends to support von Schoeler, ex-secretary of state in the Federal Ministry of the Interior, but there are grumblings in local chapters because he, who joined the party at the top, is being offered privileges for which others had to work very hard.

Guenter Verheugen, who wants to replace Philip Rosenthal in the Bundestag as deputy of the Kulmbach election district, is also encountering resistance. Still, Verheugen has the support of leading Social Democrats such as Peter Glotz and Horst Ehmke ("The SPD Can Add on a Piece").

However, in a private motion introduced during the SPD district convention in Fuerth, there were demands that "these new comrades...must perform genuine and regular party work, that is, work at the base." A small reservation relating to Verheugen by district committee chairman: "He does not necessarily have to start out with us carrying glue pots."

"Political rage," notes Christine Schmarsow, deputy federal chairwoman of the Working Group of SPD Women, was the result of party-list maneuvers concerning Ingrid Matthaeus-Maier in North-Rhine Westphalia. SPD chief Willy Brandt had promised the financial expert a spot on the list; the former executive secretary of the Bonn SPD faction, Karl Wienand, offered her the Rhine-Sieg District which presumably would have been his.

The SPD of North-Rhine Westphalia was inundated with protests: It is "simply unimaginable"--the Socialists [Sozis] are mad--that the new member is getting a spot on the list "at the expense of candidates who have slaved away for years within the SPD." Three out of four SPD district chairmen in North-Rhine Westphalia refused to include Mrs Matthaeus-Maier on their Land's list.

On the other hand, one of Genscher's followers must also be worried about keeping his job in the Bundestag. The political future of Hans-Guenter Hoppe, Berlin Free Democrat and Bundestag Deputy, depends on two FDP dissidents.

If the Berlin FDP Land Chairman, Juergen Kunze, and his party friend, Wolfgang Fabig, who are already members of the LV, left their party and faction, the decimated Free Democrats of Berlin would lose their right to send a deputy to Bonn.

If Kunze, Fabig, and the FDP are going to stay together, Hoppe could play a special role: Provided the elections take place in March and provided the FDP will then not be returned to the Bundestag, Hoppe would stay there nevertheless--he would be the only FDP politician in Bonn who survived Genscher's turnabout without damage.

'Liberal Democrats' Leader Interviewed

Hamburg DER SPIEGEL in German 6 Dec 82 p 63

["Liberal Democratic" leader Ulrich Krueger interviewed by DER SPIEGEL; date and place not given]

[Text] SPIEGEL: You were elected in Bochum as party chief of the "Liberal Democrats" [LD]. Are you a second-best choice because none of the prominent liberals who resigned from the FDP, is supporting the new party?

Krueger: To be honest, this is true to a certain extent. We would have wished for more prominent liberals to be interested as well. I consider myself a surrogate, but if I have to hold this office for a longer period of time, then I will take the job seriously.

SPIEGEL: Isn't your job in the political beyond? What is it that your party can expect from the Bundestag elections in March?

Krueger: There will be no elections because Genscher is scared to pull only between 2 and 3 percent. We want to nominate candidates for the next Bundestag elections....

SPIEGEL: Which one?

Krueger: Nineteen eighty-four. We will undoubtedly enter the Landtag elections in Hesse, which will come up next year, and in Bremen.

SPIEGEL: Wouldn't it have been politically wiser to continue your struggle for liberal positions within the FDP or to move directly to the SPD as Ingrid Matthaeus-Maier, Guenter Verheugen, and Andreas von Schoeler have done?

Krueger: I cannot take quite seriously those who joined the SPD. It is a bit embarrassing if a professed liberal like Guenter Verheugen now starts in Kulmbach quite nonchalantly with "dear comrades."

SPIEGEL: Where do you see the position of your "Liberal Democrats," left of the SPD?

Krueger: Certainly not left of the SPD. We must follow our own path, the path in opposition to the machinery. For instance, in the case of code-termination, I don't see why the power of employers should be exchanged for that of the unions. What is important is that the individual employee in his immediate situation has the right to make decisions.

SPIEGEL: That sounds similar to what the Greens are saying.

Krueger: Perhaps. But in our case, it isn't done with so much whole earth [so much emphasis on preserving the earth]. We are more realistic.

SPIEGEL: Opinion polls indicate that, at this time, the FDP can count on 2 to 3 percent of the votes. Would these then be distributed between two liberal parties?

Krueger: The question is not formulated correctly because you are implying that the FDP is a liberal party. Whoever enters into such miserable coalition agreements with the CDU/CSU and accepts institutionalized snooping into the thinking of draft dodgers can lay no claim on being called a liberal. We are the liberals.

SPIEGEL: The leftist liberal camp falls into three segments: One part stayed with the FDP, others moved directly to the SPD, the remaining group--that's you with your friends--has founded a splinter party in Bochum. Why should Genscher-opponents vote for your "Liberal Democrats," if in the final count, the votes fall by the wayside anyway?

Krueger: Mr Genscher is the chairman of a splinter party. You can't say the same thing about me. We have not yet entered an election. We are in the process of getting organized.

SPIEGEL: The liberals who went to the SPD are accusing your newly formed party of merely splitting the voter potential to the left of the CDU. What is the reason for your hope that you will overcome the 5 percent obstacle?

Krueger: In the Bundestag elections of 1980, there were 10.6 percent leftist-liberal voters, i.e., more than 4 million people in the Federal Republic. We will no doubt not be able to muster that many votes by 6 March, if the elections should indeed take place. But we will get part of them, once it becomes clear that there is now a responsible, trustworthy, authentically liberal new force. The old FDP has it coming!

7821

CSO: 3620/134

PRESIDENT KOIVISTO ADDRESSES USSR PLANT CEREMONY

PM141531 Moscow PRAVDA in Russian 9 Dec 82 Second Edition p 4.

[TASS report of speech delivered by Finnish President M. Koivisto on 8 December at the Kostomuksha plant opening ceremony under the general heading: "Vivid Example of Soviet-Finnish Cooperation"]

[Text] Thanks to the courteous invitation of the USSR Supreme Soviet Presidium and the USSR Government, he said, we are meeting here now, on Soviet soil, at Kostomuksha where, by joint efforts, Finnish and Soviet construction workers are building a mining enrichment combine for the production of iron ore pellets for both countries' needs and a residential town. We see here a most convincing example of the fruitfulness of the trusting and good-neighborly relations between our countries. These relations are built on the 1948 friendship, cooperation and mutual assistance treaty which laid the foundation for mutual trust between two neighboring countries with different social systems.

The friendship, cooperation and mutual assistance treaty also had a decisive effect on the establishment of the positive and unbiased atmosphere on whose soil our countries' trade and economic cooperation have risen and grown to their present scale on the basis of the two sides' existing requirements and practical potential. There are positive results in prospect for all.

The construction project at Kostomuksha is of great economic significance for our countries' trade. The importance of this project is not limited, however, merely to the framework of our trade exchange. It stimulates economic activity and provides work for thousands of people in east and northeast Finland. The construction of Kostomuksha's second and third phases is in full swing and will continue for a long time still. In my view this also provides a basis for examining the prospects for our cooperation in the construction sphere on a broader level.

The projects built jointly on Soviet territory over a number of years already amount to 10-15 percent of Finnish exports to the Soviet Union, and construction has become a component of Finnish-Soviet trade. In addition to major projects located near our border we have also built hotels, power stations and smaller production enterprises. We are also participating in the supply of compressor stations and entire residential settlements for the main gas pipeline being laid from the Soviet Union to Western Europe.

On the completion of the major projects under construction now we shall, I think, be continuing cooperation in the border regions. Our accumulated experience and geographical proximity give us considerable advantages. An exchange of opinions is already being conducted between the sides on a number of major new projects.

In due course traditional large-scale construction will be increasingly supplemented by new forms of export in the construction sphere.

In recent years one such new form in our trade has been the practice of supplying various structures and production enterprises where the project is handed over to the client for assembly by him on the Soviet Union's territory. Where necessary the contract may also include control over the assembly work. Such deliveries create a new outlet in trade between our countries for hundreds of Finnish enterprises. At the same time they make it possible to suggest the construction of projects even located in remote regions of the Soviet Union under "controlled" conditions.

In my view we have all the preconditions for the further positive development of economic ties. Our current balance of payments surplus, which is restricting the growth of Finland's export potential, is a temporary phenomenon: it will be equalized by joint efforts. In fact good preconditions have already been created for this. In the formula now taking shape decisions are being made precisely from the needs and considerations of the interests of Finland. The Soviet Union did not ask us to grant credits, we ourselves proposed extra time to balance our trade exchange over a longer period so as to ensure the continuation of our traditional exports.

We in Finland must also draw similar conclusions with regard to our own imports. The Soviet Union has been cooperating in the construction in Finland of a metallurgical plant of a high technical standard and of two [word indistinct] whose degree of use is among the highest in the world. We must now pay attention to the feasibility of implementing new Soviet projects in Finland.

The long-term program for the development of economic cooperation concluded between our countries provides many new incentives for this activity. I am confident that some new projects will begin in the near future. Besides major projects, attention is also being paid to smaller-scale projects in those spheres where the Soviet Union's products offer particularly advanced technology.

Cooperation in implementing projects in third countries is also beginning gradually to lead to specific products and this gives grounds for the expectation of practical results.

It is our joint desire to constantly diversify the structure of Finnish imports. This is particularly important from Finland's viewpoint if you take into account the fact that in relation to the scale of our national economy, reciprocal trade has reached such a high joint level that even slight price changes for our basic imported goods cause us fluctuations which are difficult to control. I also hope that our enterprises, as authorities and organs of cooperation--in particular the economic cooperation commission--will unfailingly pay attention to these factors.

Production sharing is also a firm part of the overall picture of our economic interrelations. It helps to increase both the total trade volume and, simultaneously, the two sides' imports and exports.

Potential for cooperation exists in many spheres from the exchange of raw materials to broad-scale production cooperation and cooperation in the sale of output. Whole industrial projects may be the object of cooperation--and already have been more than once.

As examples of projects that have already reached the implementation stage one can name, in particular, the production of electric locomotives, projects in the shipbuilding sphere and, as the latest achievement, cooperation in the sphere of the production of communications equipment for which a protocol is being prepared right now.

In this context I should like to recall that the Kostomuksha project also exerts a practical influence on our scientific and technical cooperation. We have been able to agree, in particular, on the development of a number of experimental methods being applied in construction. At the same time the project is also a fine example of cooperation between experts in the planning of population centers in both countries. Joint research is being prepared on the construction of the city of Kostomuksha which, we hope, will prove useful in our new joint projects.

Kostomuksha is a new thread linking our countries. Numerous construction workers from Finland and Soviet Karelia have become acquainted and made friends here both at work and in their leisure time. In due course, we hope, Kostomuksha will become also a new project for trade between the Finnish and Soviet border regions, trade in which Soviet Karelia has a traditional place.

Kostomuksha symbolizes the long-term cooperation between our countries. It is also well known outside our countries.

In conclusion the Finnish president expressed heartfelt congratulations to all who have participated in various forms in the implementation of this project.

CSO: 1807/68

'PRAVDA' REPORTS KOIVISTO 10 DECEMBER DINNER SPEECH

PM141515 Moscow PRAVDA in Russian 11 Dec 82 Second Edition p 4

[Apparent text of speech delivered by Finnish President M. Koivisto at 10 December dinner in Helsinki in honor of N. A. Tikhonov, chairman of the USSR Council of Ministers, under the general heading: "In a Friendly Atmosphere"]

[Text] We Finns, M. Koivisto said, are very pleased to see you, Mr Chairman of the USSR Council of Ministers, as our guest in Finland. Your visit gives us an opportunity to examine thoroughly topical questions and prospects of cooperation between our countries. At the same time your visit and the festivities in Kostomuksha which preceded it are convincing proof of the vitality of Finnish-Soviet good-neighborliness. This fact has all the more significance today when the world situation has been seriously aggravated despite all the efforts made for detente.

This is how President Urho Kekkonen described the international situation 5 years ago to your esteemed predecessor when he was visiting Finland: "International relations in the past 10 years and more have developed positively. This applies to our continent in particular. Great credit here goes to the fruitful influence of the process of the relaxation of international tension and in particular the process of preparing and holding the conference on security and cooperation in Europe.... We can note with complete justification that so much that is positive has been achieved in developing the situation on our continent that attempts to erect obstacles on the path of detente do not accord with the interests of any side."

Unfortunately, I cannot give such a positive assessment today. From the viewpoint of international politics we are now living through what is, rather, a period of great uncertainty, even. I cannot fail to note with concern that our continent is also the center for new concerns and difficulties of a new type. Many factors relating to profound economic, social and political changes are testing our ability to preserve peaceful development in Europe. Security is being sought at an increasingly high level of armaments, while results from talks on arms reduction are still awaited. An awareness of the fact that an unprecedented quantity of destructive military force has been accumulated on our continent and on the other hand an understanding of the inseparable link between the destinies of all parts of Europe inevitably generates uncertainty.

Security is not, however, only a problem connected with the danger of war, it is an incomparably broader concept. It contains human aspirations connected with living conditions, social development and broader international communication and the desire for a better and more just future. That is why only profound rapprochement and open cooperation among the European peoples promoting mutual trust can ultimately guarantee peace on our continent.

For over 10 years now the process of the conference on security and cooperation in Europe has served progress in the field of attaining precisely these goals. The treaty aims enshrined in the final act bearing the name of Helsinki reflected the common desire of all 35 states which took part in the all-European conference to lay the foundation in Europe of a process of development aimed at establishing deeper trust and more open communication and at ensuring cooperation advantageous to all sides.

It must be admitted that the attainment of these jointly agreed objectives has proved more difficult than was perhaps expected. Maybe the tension accompanying the international situation of recent years has aggravated difficulties, shaking the desire to advance along the path defined in the final act. Nevertheless we Finns believe that this process is basically viable since it is based on the effective, abiding interests of all 35 signatory countries. I am of the opinion that it is important for it to become a living and effective process of development in the citizens' consciousness and for its goals--security and cooperation--to be viewed constantly as worthy goals and for efforts to be made to achieve them. This presupposes that the all-European process should retain its persuasiveness: realities must be recognized but we must not give in to difficulties. This requires from all signatories further efforts to fulfill the coordinated decisions plus renewal and creation so that all sides may constantly feel the validity of their contribution. The fact that at the meetings of representatives of the countries which took part in the conference on security and cooperation in Europe we have expressed and continue to express assessment--sometimes critical ones--regarding the course of the fulfillment of the jointly set tasks should not become an end in itself to any significant degree. Inability to understand the viewpoints of the other signatories inevitably leads to the point where the process becomes one-sided.

The Madrid meeting put forward for discussion the question of convening a conference on disarmament in Europe. From the outset Finland supported the organization of such a broad large-scale conference to discuss questions of military security. We proceed from the premise that the process of the all-European conference will not become viable and balanced for a prolonged period unless steps are taken to strengthen military security. The urgency of such a conference is emphasized by the fact that questions of European security, in contrast to previous decades, can no longer be viewed as isolated problems linked solely with our continent. All talks concerning Europe have importance both for their participants and also for other states and their security. That is why a new, unbiased approach is needed on our continent--an approach which would consider the entire totality of the situation in the sphere of security policy in the Europe of the eighties.

In a recent speech L. I. Brezhnev, chairman of the USSR Supreme Soviet Presidium, who died before his time, said that detente is a very broad concept. It means primarily the overall mood of a state and its leaders geared not to military preparations and hostility toward other states but toward peaceful cooperation with them. It means normal communications between states and peoples, conscientious observance of the norms of international law, respect for the sovereignty of each country and noninterference in each other's internal affairs. It also means a constant desire to strengthen security on the basis of gradual deepening of mutual trust.

In my view these are correct definitions and at the same time they reflect wonderfully the way in which Finland and the Soviet Union build their mutual relations, which are concrete evidence of what can be achieved by two states which are different in many respects when this difference is acknowledged by both sides and they advance on this basis openly and sincerely in the search for common interests. The friendship, cooperation and mutual aid treaty between our two countries, whose central significance I have already mentioned in my luncheon speech, is also built on this foundation.

During my visit to Moscow this March, the president continued, we had the opportunity to conduct a broad examination of political relations between Finland and the Soviet Union and to note the absence of problems in them. During our visit we also have the opportunity to look more thoroughly into the broad spectrum of our trade and economic relations.

Economic ties between Finland and the Soviet Union are carried out on a broad scale. With an annual trade turnover of R5 billion Finland is the Soviet [word indistinct] second biggest Western trading partner. In turn the Soviet Union is Finland's biggest partner. Its share in our foreign trade is almost one-fourth. Economic ties between us are thus of great importance to both sides.

The treaty base for our trade is firm. Back in 1947 agreement was reached between Finland and the Soviet Union on most-favored nation status in trade on whose basis we have gradually turned to virtually duty-free trade in industrial output. Since that year our trade has been based on the clearing accounts system. In addition from the outset our guiding principle has been that trade must be mutually advantageous. These already traditional principles of activity and the fundamental desire, enshrined in the 1948 on friendship, cooperation and mutual aid treaty toward the constant development of our economic relations have confirmed in practice that they are healthy, firm and fruitful. Perhaps it is precisely the bilateral nature of our trade which for its part has made possible the broad participation of Finnish businessmen in it. This has been considerably assisted by the implementation, as of 1951, of 5-year trade agreements. The main avenues of our economic scientific and technical cooperation for the long term are defined in the long-term economic cooperation program signed in 1977 and now valid through 1995.

Throughout this fall representatives of Finnish and Soviet foreign trade organizations have held talks as usual on supplies of goods for next year. This work is now nearing completion. In recent years it has been obviously perceptible that protocols on reciprocal deliveries of goods have acquired increased importance

precisely as factors guiding our trade. With their aid the sides are seeking to actively direct development toward our common goal, toward balance in our trade at the highest possible level. At the same time the sides are seeking to consider two additional objectives: avoiding significant fluctuation in trade among sectors and striving to broaden the structure of Finland's imports.

During the talks we were convinced that in many respects important significance now attaches to deliveries to Finland from the Soviet Union. In previous years we have already succeeded, with the aid of evenly balanced deliveries from the Soviet Union, in mitigating the adverse consequences of various international crisis. We want to adhere to this in compiling plans for the future. At the same time as we seek to expand demand for Soviet imports to Finland we rely on Soviet tenders for deliveries of goods invariably increasing and expanding.

Since we consider that our imports from the Soviet Union will increase in the long term, we for our part are ready to agree to shift the balancing of payments for Finland's exports to the last years of the 5-year period. This is not because we would like to defer problems but because by this means we believe we will be able to rid ourselves of them completely.

Relations between Finland and the Soviet Union, M. Koivisto said in conclusion, are now developing in an exemplary manner and both countries are making constant efforts for their further development. That is fine and in this connection allow me to propose a toast to your happiness and health, to the successes of the USSR, which will soon celebrate its 60th jubilee, and to the traditional good-neighborly friendship and mutual trust between our countries and peoples.

CSO: 1807/68

CENTER PARTY ISSUES ITS ELECTION CAMPAIGN PLATFORM

Helsinki HELSINGIN SANOMAT in Finnish 15 Dec 82 p 7

[Text] Vayrynen has already nominated Pekkala for a government post.

In a surprise move, Center Party chairman Paavo Vayrynen on Tuesday raised Finance Minister Ahti Pekkala's name "as an economic policy locomotive of the government to be formed after the elections."

At a press conference organized to announce his party's election platform, Vayrynen said that this does not mean that Pekkala is being nominated as the Center Party candidate for prime minister. On the other hand, he did not quite deny the possibility either, but noted that the prime minister is one of the important creators of economic policy.

Vayrynen's action surprised Finance Minister Pekkala. He believes that Vayrynen merely meant well. The chairman and the vice chairman-finance minister did not have a chance to discuss the matter on Tuesday before Vayrynen raised Pekkala's name in public.

Pekkala does not want to speculate as to whether he might possibly serve as prime minister after the elections. He said, however, that he had at a recent party Executive Committee meeting asked Oulu party members not to publicly express such thoughts. "But I do not mean to criticize Paavo. I have defended him and he has been loyal to the government."

"Should Own Up to Self-Deception"

When he announced the election platform, chairman Vayrynen warned that, with elections approaching, the parties and the whole society seem to be passing their time in the secure belief that after March everything will continue to be more or less as it was before.

"Now we want to offer people pleasant prospects for the future. There is good reason to own up to this self-deception now, well before the elections, and set in motion a realistic discussion of the economic prospects and the government's economic difficulties, among other things," Vayrynen said. He demanded that the parties say how they plan to overcome these difficulties.

Eight Points

The Center Party is setting out for next spring's parliamentary elections with an eight-point election platform. The party regards the decentralization of power as its key principle. The Center Party stresses continuity in the practical handling of economic policy.

The premises of the Center Party's election platform are resolute continuation of the Paasikivi-Kekkonen line, elimination of major unemployment by improving opportunities for business activities, increasing the vitality of the rural sector, elimination of regional differences, especially with regard to employment, ensuring a healthy environment for people to live in, improving the lot of families with children by extending support for the home care of children among other methods, providing incentives for small businesses by eliminating arbitrary taxation by communal officials and extending people's power by decentralizing the power to make decisions.

According to party secretary Seppo Kaariainen's estimate, the party's election budget will amount to from 1 to 1.5 million marks. Election chores will, however, be performed by local volunteer labor. Kaariainen said that they plan to organize at least one group effort in each commune.

The party's election slogan is: "Assume responsibility for tomorrow -- a center-green coalition in the interest of life."

11,466

CSO: 3617/44

SKDL WOULD CUT DEFENSE FUNDS FROM BUDGET

Helsinki HELSINGIN SANOMAT in Finnish 17 Dec 82 p 15

[Excerpt] In the protest it registered the SKDL [Finnish People's Democratic League] parliamentary delegation has presented a Finance Committee budget recommendation for a substantial reduction in budgeted arms procurement appropriations. The protest was a joint one by the whole delegation. Furthermore, the Stalinists have their own protest in which they make proposals to add about 800 million marks to the budget.

The SKDL has proposed that arms procurement funds be reduced by over 260 million marks. In the opinion of the delegation, the funds could be used to set up new day care centers, for the construction of housing, for development aid funds and for health care center jobs.

The arms procurement appropriations have been heaped with abuse by the Communists starting with the whole business of the fall budget negotiations. Prime Minister Kalevi Sorsa (Social Democrat) has in vain appealed to the Communists to keep in line with the other government parties.

On the other hand, the biggest opposition party, the Conservative Party, has in its protest proposed that basic armed forces procurements be obtained at the level proposed by the Third Parliamentary Defense Committee. The increase proposed by the Conservative Party amounts to 140 million marks.

No other changes in the budget are proposed in the protest signed by all SKDL committee representatives. However, Stalinists Irma Rosnell and Sten Soderstrom have demanded a 500-million-mark increase for the administration of employment and the creation of over 2,800 new jobs in health care centers and for communal nurses and medical attendants.

11,466
CSO: 3617/44

STALINIST ORGAN COMPLAINS OF CENTRAL COMMITTEE FIRINGS

Helsinki TIEDONANTAJA in Finnish 14 Dec 82 p 8

[Article: "Path of Division in SKP"]

[Text] The majority of SKP [Finnish Communist Party] leaders have shifted to the path of open political discrimination and division. The party Central Committee has by a vote of 25 to 17 voted to relieve Hannu Vuorio and Jukka Vekkelin of their duties.

The policy line of divisive measures prepared by first secretary Arvo Aalto is uncompromisingly directed against the principles of party unity affirmed in August in connection with the integration of the Central Committee. The frankly political nature of the affair is also revealed by the fact that those SKDL [Finnish People's Democratic League] parliamentary representatives who oppose the government's economic policy are the next to be threatened with dismissal.

The proposals drawn up by first secretary Aalto and chairman Kajanoja regarding the dismissal of Central Committee employees have risen in importance to become the Central Committee's main issue. In connection with the matter, the political nature of such dismissals, earlier defended "on economic grounds," has become openly manifest.

These dismissals are directed only against those who have consistently demanded that SKP congress resolutions be carried out and have criticized government policy. On the other hand, Uolevi Mattila, whose name was also on the above-mentioned list of dismissed employees, was promised that he would in future as well be guaranteed a salary if he did not want to transfer to some other post. Leevi Lehto and Juhani Ruotsalo have also been promised a living through the KSL [expansion unknown].

Million-Mark Loan for KANSAN UUTISET

The debate over the SKP budget also demonstrated that there were no economic grounds for the dismissals. On the contrary, party expenditures are only a fraction of, for example, the People's Democratic movement's government subsidies and KANSAN UUTISET's growing losses in the millions do not particularly solve the problem of reducing them. At the same time Vuorio and Vekkelin were

dismissed, an initial loan of a million marks for KANSAN UUTISET was decided on by a vote of 25 to 17.

The party's ability to function has also been weakened by leaving the posts of three retiring employees unfilled. On the other hand, the motion in committee to dismiss Vuorio from the SKP Secretariat too, passed by chairman Kajanoja's deciding vote, and the choice of Oiva Backman to replace Erkki Rautee as head of the Information and Communications Department were deferred for later discussion.

Next, those parliamentary representatives are being threatened with dismissal who work in Parliament for the objectives unanimously set by the SKP policy line and parliamentary delegation and demand changes in government policy. Particularly the so-called hard-line representatives (Kemppainen, Ekorre, Suosalo and Hekkala) have made such statements and Kemppainen is also demanding that steps be taken against the eight district organizations that publish TIEDONANTAJA.

Surprisingly enough, chairman Kajanoja and parliamentary delegation chairman Veikko Saarto appear alongside them. Saarto warned that behaving in a way that deviates from the line agreed on in the government in the debate over the government budget would lead to dismissal from the delegation and internal strife in which "there would be tougher infighting than ever before." Kajanoja also threatened the party with an open break without, however, even agreeing to the collective preparation of Communist activity in Parliament.

Kajanoja Threatens Party with Disintegration

By a vote of 28 to 14, the Central Committee rejected vice chairman Veikko Alho's motion to enjoin members to step up activities in support of the objectives unanimously approved by the SKP and the SKDL in Parliament as well as outside it. The moderates took a stand in support of Kajanoja and Saarto's motion to in principle approve the imposition of a tax on pensions, to demand tax relief only for small pensions and to oppose any sizable increase in arms procurement expenditures.

Leevi Lehto, Juhani Ruotsalo and Pertti Rovamo, who had in an earlier vote voted against the dismissals with those who remained in the ranks of the Stalinists, also voted with the moderates in this vote.

The Central Committee also approved the agenda for 1983 and the preliminary plan for scheduling the beginning of preparations for the 20th Congress. The agenda includes the assumption of a more enterprising attitude by the SKP in foreign policy on the basis of the initiatives presented in Taisto Sinisalo's speech, 35th anniversary festivals in celebration of the Friendship, Cooperation and Mutual Assistance Pact and obligations involving cooperation to be engaged in with the CPSU. Members were also enjoined to develop the wage agreement campaign and to make preparations for the party meeting to be organized in April.

In connection with the Central Committee, a study day was also held, which was presented by Kari Arvola, Erkki Rautee, Seppo Kortelainen and Tutta Tallgren. Especially Arvola and Arvo Aalto's statements about government theory, which were openly directed against Marxist-Leninism, gave rise to criticism.

Policy Trend Is at Issue

"The struggle for change must be intensified. We must not submit to the dictates of employer groups and the government."

This was emphasized by vice chairman Veikko Alho in the position he moved the SKP Central Committee should adopt, which was, however, rejected by a vote of 28 to 14. We print here the position paper in its entirety.

This fall's important economic and domestic policy decisions -- like the government budget proposal for 1983, the devaluation package and the proposals for a so-called stabilization solution -- confirm the correctness of appraisals to the effect that our country's economic and domestic policy is moving in a direction more strongly opposed to workers' interests than before, toward a more rightist line than before.

A clearcut leftist alternative to this which will build a spirit of personal initiative among working people has been presented in the resolutions of the SKP special congress and the Central Committee as well as in the proceedings of the 13th SKDL Congress. It has also formed a basis for our movement's earlier unification and more enterprising preparation for, among other things, the fight to be engaged in in Parliament over the government's budget and other important policy decisions.

The explicit presentation of this alternative is more and more important in a situation in which bourgeois and Social Democratic Party leaders will after the elections be getting ready to carry out more intractable measures than before to weaken the advantages and rights already obtained by the worker movement, among them cutting back on social security and public services, reraising the sales tax and raising interest rates.

Under the circumstances, it is absolutely necessary for Communists to appear everywhere, in Parliament too, enterprisingly in Central Committee resolutions, in favor of a policy line that has been staked out, has its own cachet and relies on the mass power of the workers, and it is also necessary for them not to submit to the dictatorial policy of employer groups and the leaders of the bourgeois and Social Democratic parties.

The changes made in next year's government income and expenditures budget proposal -- only per mill classes are involved -- with the agreement of the government coalition parties do not alter its basic line, which does not correspond to the interests of workers, small farmers, young people, pensioners and other people of little means nor does it meet the demands of the trade union movement, the peace and other progressive movements. Submitting to the wage agreement line formulated by employers and trade union movement Social Democrat leaders would mean yet another transfer of income to big capital, a drop in real earnings and thus also an increase in unemployment.

The SKP Central Committee is urging members to continue their activities in Parliament as well as outside it to alter the 1983 budget proposal in decisive parliamentary debate in accordance with the unanimous decisions of the SKP and SKDL parliamentary delegations.

The SKP does not approve of a reduction in health insurance nor of employer relief for child subsidy and health insurance payments, which scraps the foundation for social security funding. Funds should be directed toward improvement of the employment situation, raising the level of job security, the construction of housing and public services, raising child and educational subsidy levels, improvement of the lot of small farmers, as well as development aid in support of those peoples who are fighting imperialism in Nicaragua, Palestine and elsewhere.

The SKP Central Committee has expressed its full support for the peace movement, the trade union movement and those organizations that represent the workers on behalf of change, worker interests and the spreading of influence.

The SKP Central Committee has urged the Politburo and all party organizations to discuss concrete measures to support and strengthen this campaign, among others through the above-mentioned wage agreement resolutions, the government budget and in connection with the citizens' parliament for disarmament. Another road to SKP unity is through the common struggle in progress to achieve common objectives, as the 19th SKP and special congresses demonstrated.

11,466
CSO: 3617/44

BRIEFS

WORLD YOUTH FESTIVAL--The Finnish Democratic Youth League (SDNL) has issued a statement in which the league expresses the opinion that Finland and Helsinki could serve as hosts for the 12th World Youth Festival. The SDNL feels that the right time for the next festival would be the summer of 1985 at which time 40 years will have gone by since the downfall of fascism and 10 years since the signing of the CSCE resolutions. In the SDNL statement, they emphasize that Finnish youth organizations must recognize their responsibility with regard to the present difficult international situation and, consequently, take the initiative in rallying the youth of the world against the danger of war. [Text] [Helsinki TIEDONANTAJA in Finnish 14 Dec 82 p 1] 11466

COMMUNIST MP: INCLUDE BALTIC IN 'ZONE'--Communist member of parliament Arvo Kemppainen wants the Baltic Sea, the Baltic seacoast, and the Kola Peninsula in the Soviet Union to be devoid of nuclear weapons. In a speech in Tampere on 1 December 1982 Kemppainen said that the governments ought to begin negotiations for a system of agreements to create a Nordic zone devoid of nuclear weapons. "The area should at first consist of the land, water, and aerial territories of Finland, Sweden, Norway, and Denmark. The zone should then be gradually expanded to include the entire Baltic sea and coastak area, Iceland, and the entire Nordic dome," Kemppainen said. The Kola Peninsula is part of the Nordic dome. Kemppainen gave his support to Prime Minister Kalevi Sorsa's (Social Democrat) proposal that a plebiscite be held in connection with the parliamentary election concerning the zone devoid of nuclear weapons. The election could, according to Kemppainen, promote attainment of practical results in this matter. Kemppainen is one of the leading figures in the "carpenters' line" of the Finnish CP northern rebellion movement. Because of his statements about the Soviet Union, he has gained the disfavor of the CPSU. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 2 Dec 82 p 8] 5955

CSO: 3617/41

DETAILS, ATTENDANCE AT KKE CONGRESS PROVIDED

Congress Attendance

Athens RIZOSPASTIS in Greek 15 Dec 82 p 3

/Article by P.T.: "The Hour of Emotion and Responsibility"/

/Excerpts/ Tuesday, 14 December 1982, 9 am. In the most beautiful, the warmest and most majestic congress hall, the "House of the Party" in Perisso. Over 700 men and women from every corner of the country, manual workers and intellectual workers, "old guard" communists as well as those of the generation of hope.

The hour is 9 am. The representatives of communist, labor and national liberation movements and parties have just entered the hall. A thunderous burst of applause. The standing delegates hail the fighters of progress and peace who have come from all over the world.

Congress of Change

A total of 658 regular delegates and 104 alternates, all selected by secret vote. Only one is missing: Comrade Baras, being held as "suspect" in the demonstrations of indigent people on the grounds of the royal property in Khalkidiki. That was the way it was on the first day of the congress.

The hour is 9 and 10. The delegates elected the congress committee which is then seated. The following comrades make up this committee: Kharilaos Florakis, Gr. Farakos, N. Kaloudis, A. Ambatielos, K. Loules, M. Giannou, D. Gontikas, Avra Partsalidou, Il. Karras, M. Petrounias, Kostas Vasalos, L. Stathakis, Il. Stambolidis, And. Skylakos, Vas. Kalamatianos, Sp. Khalvatzis, K. Gatsos, D. Lambrianidis, Stelios Logothetis, Spyros Kotsakis, Than. Balomenos, Olga Xylourgou, V. Magkonis, K. Balamotis, Giannis Epitropou, V. Boundas and D. Syndykhakis.

Next to them are the following, all serving in an honorary capacity: Giannis Ritsos, Mikis Theodorakis, Elli Alexiou, A. Tassos, Dimitris Fotiadis and Stratis Kounias.

Immediately afterwards, the congress approved the agenda and the work program, elected committees to handle various aspects of the congress work, and then Comrade Florakis took the floor again.

It is the hour of the central committee report. A report of the firm unifying line, of responsibility, of urgency and militant orientation. A report for genuine change.

Who Was There

Among those attending the festive opening of the 11th congress were such veteran fighters of the party as Comrades Papaperiklis, Kasimatis, Lipas and Gorgolis.

Deputy Stathis Panagoulis, Adamandios Pepelasis, Kostas Nasis, Takis Koulandrou, N. Alavanos, Marios Nikolinakos, Stavros Kanellopoulos, T. Engolfopoulos and Aspa Mandilara.

The following personalities of the arts and culture: G. Ritsos, A. Tassos, E. Alexiou, M. Theodorakis, D. Fotiadis, Loukia Mangiorou, Khr. Leondis, K. Kazakos, L. Kallergis, Z. Skaros, L. Khalkias, N. Triandafyllidi, T. Perlengas, E. Pappa, D. Ravanis-Rendis, T. Papastefanou, D. Talaganis, A. Paizi, V. Kolovos, N. Alexiou, G. Karanikolas, T. Papagiannidis, N. Papandreou and Th. Gioldasis.

The following professionals: N. Desylas, Khr. Maris, A. Argyriadis, A. Papakostas, P. Rokkos, G. Triandafyllou, G. Papagiotopoulos, K. Khatziargyris, G. Galanos and others.

The following mayors: P. Makris, Kaisariani; D. Nikolaidis, Vyron; M. Levendis, Elefsis; D. Sarafoglou, Keratsinion; D. Malagardis, Korydallon; St. Logothetis, Kokkinia; V. Katsaros, Kamateron; D. Skambas, Khaidarion; K. Kortzidis, Ellinikon; P. Vakalopoulos, Tavros; S. Stamatiadis, Nea Filadelfia; M. Soulimiotis, Agia Varvara; G. Gallos, Kallithea; D. Folopoulos, Peristerion; N. Paximadas, Petroupolis; G. Domnakis, Nea Ionia; D. Kindis, Ilioupolis; L. Thermogiannis, Metamorfosis; Th. Anninos, Patras; M. Koundouris, Volos; A. Valakhis, Nea Ionia, Volos; A. Lambroulis, Larisa; G. Sfoundouris, Distomon; K. Kourkoutis, Thivai; Kh. Tsakiris, Stavroupolis; D. Sapranidis, Ambelokipoi; A. Binioris, Neapolis; P. Afalis, Sykeai; and St. Dionysiou, Evosmos.

Also attending were the following newly-elected mayors: G. Katsanevakis, Khania; St. Panagos, Anó Liosion; Koukovinos, Neo Lision; Zakhariadis, Triandria; St. Pallis, Mytilini; Pagounis, Kozani; Th. Spondylidis, Glyfada; D. Arkhondis, Karditsa; and M. Skemberis, Nigrita.

Membership Statistics

Athens RIZOSPASTIS in Greek 18 Dec 82 p 1

/Text/ At yesterday's morning session, the plenipotentiary committee provided the following social make-up and other data on the congress members.

According to the committee report, the 771 delegates (658 regular and 113 alternate members) have the following characteristics:

Age

A total of 36.96 percent are up to 30 years of age; 33.72 percent are between 30 and 40 years of age; and 29.31 percent are 40 years of age and over. There are 12.5 percent women delegates. A total of 5.96 percent have been in the party for at least 4 years; 55.77 percent between 4 and 8 years; 12.84 percent between 8 and 15 years; and 25.42 percent over 15 years. A total of 47.08 percent of the delegates were also delegates at the 10th congress.

Profession

A total of 39.94 percent are workers and 20.75 percent employees. Total workers and employees 60.29 percent; farmers 3.5 percent; businessmen and tradesmen 3.23 percent; professionals 24.5 percent; students 6.48 percent; miscellaneous 1.6 percent.

Education

A total of 15 percent of the delegates have primary school diplomas; 37 percent have high school diplomas; and 48 percent are graduates of advanced schools.

Cadres in the Mass Movement

A total of 258 delegates (33.46 percent) are elected officials of various mass organization administrative boards. Included are 24 mayors and commune presidents and 64 presidents of associations. A total of 9.72 percent of the delegates work in KNE [Greek Communist Youth].

A total of 160 delegates had been imprisoned or exiled to camps for a total of 1,784 years for having participated in labor, popular and national struggles.

A total of 148 comrades took an active part in the epic national resistance movement and the heroic Democratic Army of Greece 64.

Greek-Soviet Friendship

Athens RIZOSPASTIS in Greek 18 Dec 82 p 1

[Text] The following attended and greeted the celebration that was organized at the King Palace in Athens last evening by the Greek-Soviet League to honor the 60th anniversary of the founding of the Soviet Union: Comrade Boris Ponomarev, deputy member of the USSR politbureau; Comrade Yevgeniy Zaychev, deputy minister of culture of the RSFSR; Comrade Anto Kukanov, director of the periodical CULTURE AND LIFE; Comrade Goncherov; Mr Psalidopoulos, secretary of the Greek-Soviet League; Minister of Labor Giannopoulos, vice president of the league; and Petros Douskos, an economist. Besides the foreign dignitaries, the following were on the honorary board; Comrade Giannis Ritsos and Th. Tandanasis, the latter the president of the Greek-Soviet League. The following were among those attending the affair: P. Makris, mayor of Kaisariani; G. Gallos, mayor of Kallithea; A. Lambroulis, mayor of Larisa; and St. Logothetis, mayor of Kokkinia. Also, the following personalities of the arts: D. Fotiadis;

Mr Voudouris, university professor; L. Khrysokhoou and G. Valetas, writers; and L. Kallergis, actor. Also, the chairmen of the various branches of the Greek-Soviet League, etc.

In his greetings, Comrade Ponomariov extended the feelings of friendship of the Soviet people for the Greek people and referred to the years-long ties that link the two countries. He also referred to the interest the Soviet people are showing for both ancient and modern Greek civilization and he finally mentioned the course taken for the first time in the history of mankind by the multi-nation union of socialist republics.

He said, "Looking back, we see that our path was not a simple nor an easy one. And yet today we can proudly tell you that we have succeeded in many of the basic and great goals put before them by the creators of our nation, foremost of whom was the great Lenin..."

"In the West, there are those who continue seeking a crisis in socialism. We must, however, disappoint them: their hopes for a crisis in socialism is never going to happen."

Comrade E. Zaychev spoke about the USSR, the program for the decade of the 70's /as published/ and about the "main problem of mankind, the problem of peace." Comrade P. Douskos spoke about the importance of Greek-Soviet relations in our country. In closing the event, Minister Giannopoulos stressed the value of friendship between the two peoples.

Farakos Speech

Athens TA NEA in Greek 13 Dec 82 pp 1, 15

/Excerpt/ The work of the 11th KKE Congress is ending today with the passing of the political resolution and the election of the new central committee which will then elect its secretary general.

Last evening, Mr Kharilaos Florakis, outgoing central committee secretary general, summarized the conclusions of the pre-congress dialogue, the proposals that had been put forward, the proceedings of the congress, the appraisal of the course of the KKE, the present political situation, as well as the listing of the goals for immediate political action by the party. The congress will come to an end tomorrow with a demonstration at the Sprotting Stadium where the new central committee secretary general will speak.

Mr Farakos

At yesterday's session, one of the speakers was Mr G. Farakos, member of the outgoing political bureau, who stressed that the communists must not mechanically imitate the general implementation of laws but must take them into consideration as they are manifested in the peculiarities of each nation. And we must take into consideration both the general and specific --for each country-- historical conditions within which the "revolutionary movement" is developed.

Mr Farakos characterized as proper, both theoretically and politically, the direction that the KKE Central Committee has formulated over the last 3 years. This same direction, he said, also extended in the central committee's positions and there is no question of any "reassessment of our strategy and tactics."

Mr Farakos stressed that criticism of PASOK must be understood by the masses that are in that party's influence. He said, "We must enlighten them about where the PASOK government is now heading for, but not in such a way as to facilitate their entrenchment into an anti-KKE position that certain people want them to maintain, as well as the overcoming of the rupture that the PASOK leadership appears to seek."

The Arts

Mr Farakos referred to the cultural movement, maintaining that the KKE stance vis-a-vis the intellectuals and artists must not be restricted to "public relations." He said, "It is far from our minds that we must act as their guardians, either to clean up with slogans the formulas they will express. But neither must we, in the name of 'public relations,' permit our obligation for ideological intervention in the content and formulas of their task to slacken."

Youth

Speaking about youth, Mr Farakos stressed the following: "It is proper that we reject the way of life that wants youth to be apolitical, to spend day and night 'relaxing' or 'spending time' in discos and other such places, but at the same time this does not mean that we will altogether reject the form of rock music, discos and other forms of art which youth finds there. It is proper that we reject the exclusive preoccupation with engines and engine cubic displacement and the corresponding behavior of youth, but we cannot be absolute on this, not to see that the little engine today is for youth both a means of transportation and a form of relaxation --we accept this or almost so-- but also a way in which today's youth find to express their dynamism, their competitive athletic prowess, even their inclination to take risks --facts that we cannot ask youth to overlook because then they would not be youth."

Mrs Logara

Also speaking was Mrs Loula Logara, a member of the outgoing political bureau, who stressed that "haste has no place" in politics. She added that "it is not permissible that you be led only by what you want but by how and how much you can objectively speaking."

5671

CSO: 3521/134

FOREIGN DELEGATIONS ATTENDING KKE CONGRESS LISTED

[Editorial Report] Athens RIZOSPASTIS in Greek in the 3 December 1982 edition, page 1, 10 December 1982 edition, page 1, 11 December 1982 edition, page 1, 15 December 1982 edition, page 5, 16 December 1982 edition, page 1, 18 December 1982 edition, page 1 and 20 December 1982 edition, pages 3 and 7, and Athens ELEVTHEROTYPIA in Greek in the 2 December 1982 edition, page 1 and 14 December 1982 edition, page 16, provide the following information on the names of foreign delegates attending the 11th Congress of the KKE [Greek Communist Party], held in Athens from 14 to 19 December 1982:

The delegation of the SED [Socialist Unity Party of Germany] includes comrades Paul Verner, member of the Politburo and secretary of the SED Central Committee, Gerhard Mueller, member of the Central Committee and secretary of the party committee in the Erfurt district, Alfred Marter, deputy director of the international relations department of the SED Central Committee and Eberhard Klos [phonetic spelling], consultant for the international relations department.

The delegation of the French Communist Party is constituted by comrades Gaston Plissonier, secretary of the party's Central Committee and Michel Dufour, member of the party's Central Committee.

The delegation of the Restorative Party of the Working People [AKEL] of Cyprus includes comrades Ezekias Papaioannou, secretary general of the AKEL Central Committee, A. Fandis, assistant to the secretary general of the AKEL Central Committee and N. Khristodoulou, member of the AKEL Central Committee.

The delegation from the Danish Communist Party is headed by comrade Harry Osborn, member of the Political Bureau of the Central Committee.

The delegation of the Costa Rica Popular Democratic Action Party is headed by comrade Eduardo Mora Valverde, substitute member of the general secretariat of the Central Committee.

The delegation of the Communist Party of Finland is headed by comrade OI. Poikolainen [phonetic spelling], member of the Central Committee secretariat.

The delegation of the Guyana Popular Initiative party is headed by comrade Janet Jagan, secretary of the international relations department of the Central Committee.

The delegation of the Communist Party of Uruguay is headed by comrade Rodney Arismendi, secretary general of the Central Committee.

The delegation of the Italian Communist Party is headed by comrade Claudio Petruccioli, member of the Central Committee.

The delegation of the Austrian Communist Party is headed by comrade Erwin Sarf [phonetic spelling], member of the Political Bureau and secretary general of the Central Committee.

The delegation of the Palestinian Communist Party is headed by comrade Ashab Na'in, member of the secretary of the Central Committee.

The delegation of the National Liberation Front of Bahrain is headed by comrade Mahmud 'Aziz, member of the Political Bureau of the Central Committee.

The congress will also be attended by a delegation from the monthly magazine PROBLEMS OF PEACE AND SOCIALISM, headed by comrade Sk. G. Alexandrovich, editor-in-chief of the magazine.

The delegation of the Czechoslovak Communist Party is headed by comrade Miroslav Hruskovic, substitute member of the party presidium and secretary of the Central Committee of the Slovak Communist Party.

The delegation of the Egyptian Communist Party is headed by comrade Yusuf Darwish, member of the Central Committee.

The delegation of the Iraqi Communist Party is headed by comrade G. A. Mansur, member of the party's Central Committee.

The delegation of the Cuban Communist Party is headed by comrade Miguel Cano Blanco, substitute member of the Political Bureau.

The delegation of the Romanian Communist Party is headed by comrade Petre Lupu, member of the Central Committee's Political Committee.

The delegation of the Sandinista Front of Nicaragua is headed by Ernesto Fonseca Pasos, representative of the Sandinista Front and Nicaragua ambassador in Rome.

The delegation of the Communist Party of El Salvador is headed by Sergio Perez, member of the Central Committee.

The delegation of the Communist Party of Great Britain is headed by Bert Pierce, member of the executive committee.

The delegation of the Yugoslav league of communists is headed by Vojislav Srzentic, member of the Central Committee.

The delegation of the Communist Party of Spain is headed by Antonio Palomares, member of the Central Committee.

The delegation of the Socialist Vanguard Party of Algeria is headed by Mohamed Benmokhtar, member of the Political Bureau.

The delegation of the POLISARIO Front is headed by Ali Omar, member of the committee on international relations.

The representative of the Communist Party of Argentina at the congress is comrade Irene Rodriguez, member of the Political Bureau of the Central Committee and member of the national secretariat of the party.

The congress is also attended by comrade Alexander Lilov, member of the Political Bureau of the Bulgarian Communist Party's Central Committee, comrade Mihaly Korom, member of the Political Bureau of the Hungarian Socialist Workers' Party and comrade Tran Huu Dac, member of the Political Bureau of the Vietnam Communist Party.

Other delegates include Ismail Bilen from the Turkish Communist Party, Yezi Rommanik, member of the Political Bureau of the Central Committee of the Romanian Communist Party, and Kibret Gonet, member of the Central Committee of the COPWE [Commission for Organizing the Party of the Working People of Ethiopia], Willian Kastan [phonetic spelling], from the Political Bureau of the Central Committee of the Canadian Communist Party, Sergio Villarigues, member of the Political Bureau and of the Central Committee secretariat of the Portuguese Communist Party, Jorge Jose Ibamez [phonetic spelling], member of the Central Committee of the Bolivian Communist Party and Joseph Abu 'Aql, member of the Political Bureau of the Central Committee of the Lebanese Communist Party.

The congress is further attended by comrade B. Lamjab, member of the Central Committee of the Mongolian Revolutionary People's Party and Muhammad Abu Mayzar, heading the PLO delegation.

The congress is also attended by the following delegations: Indonesian Communist Party, Communist Party of Israel, Communist Party of Jordan, Communist Party of West Germany, Communist Party of Norway and Communist Party of Chile.

A four-member Soviet delegation headed by comrade Boris Ponomarev is also attending the congress. It includes Vladimir Zagladin, member of the Central Committee, first substitute director of the international relations department of the Central Committee and member of the Supreme Soviet of the Soviet Union, Yuri Zurkin, first secretary of the Novorossisk party organization and Karolos Semenov, consultant to the department of international relations of the Central Committee of the CPSU.

CSO: 3521/135

BRIEFS

SCIENTIFIC COOPERATION WITH USSR--MOSCOW (ANA)--A mixed Greek-Soviet committee on scientific cooperation opened its meetings here on Tuesday. The Soviet side is represented by Mr. Guisian, Vice President of the State Committee of the Soviet Cabinet on Science and Technology. Mr. Lianis in reply to a proposal by Mr. Guisian on long-term cooperation between the two countries, said that Greece, had responded in a positive manner because the proposal gave it the possibility for a better planning of cooperation programs. "I believe," Mr. Lianis said, "that we can conclude an agreement for a two-year program and then discuss the establishment of a long-term program. We can process this program with our experts and, at the close of the discussions, reach a memorandum of understanding. Therefore, if you too agree on this issue, then when your Prime Minister visits Athens we shall be able to reach an agreement. [Excerpts] [Athens ATHENS NEWS in English 9 Dec 82 p 4]

CSO: 3500/318

ULMAN URGES GREEK AWAKENING ON CYPRUS ISSUE

Istanbul DUNYA in Turkish 1,6 Dec 82

["From the Window of the World" column by Haluk Ulman]

[1 Dec 82 p 3]

[Text] The relations between Turkey and Greece have once again turned into a war of words in the last few days. The beginnings of this fight go back to NATO's Apex Express 82 exercises about a month ago. At that time, Greece demanded that the island Limnos be included in the area the exercises would be conducted, but NATO turned down that idea on grounds that the Aegean islands are supposed to be demilitarized in accordance with international agreements. In response, Greece withdrew from the exercises. Greece now holds Turkey responsible for that incident. Furthermore, in the last few days, Greece has charged that Turkey has again violated Greek airspace by flying warplanes over the Aegean islands. And finally, on the top of all these incidents, Greece announced that it is cancelling the meeting between the foreign ministers of the two countries, scheduled to be held on 9 December, on grounds that these airspace violation incidents are still going on and that no useful results can be expected from any talks under these conditions.

As is known, the Turkish and Greek foreign ministers would meet for talks in Brussels on 9 December taking advantage of the year-end meeting of the NATO foreign ministers.

Greek claims regarding airspace over the Aegean islands are so well known that it is unnecessary to repeat them here. To give a brief history, in 1931, Greece raised the territorial water limits around these islands from the agreed 6 miles to 10 miles on the pretext of reinforcing the security of its airspace and insuring an orderly air traffic system. Since 1974, Turkey has been saying that it does not recognize this fait accompli produced by a unilateral act, while Greece has been insisting on maintaining the 10-mile limit charging that that is now an established right.

If the airspace limit over the Aegean islands is accepted as 10 miles, it will mean that Greece will have sovereignty over 50 percent of the entire Aegean airspace.

As for the issue of the demilitarization of the islands, the Lausanne Treaty stipulates that the Aegean islands must be disarmed. The 1947 peace treaty with Italy turned over the Dodecanese Islands to Greece under the same terms. Despite these agreements, Athens has been arming these islands--particularly since the

Cyprus crisis--using civil aviation and internal security as a pretext.

What is more interesting is that in the last few days Papandreou has been trying to dress this de facto armament with a legal gown. At first, he said that the Lausanne Treaty must be considered invalid because it has allegedly been violated by Turkey. He showed the shrinking Greek minority in Istanbul as an example of Turkish actions violating the Lausanne Treaty. He described this phenomenon as a policy which violated the Lausanne Treaty and which is deliberately and wantonly pursued by Turkey. We read from the papers that Papandreou has lately begun to claim that the 1936 Montreux Straits Convention gives Greece the right to arm the Aegean islands.

This author is a person who is very careful about being impartial about every issue and who has always wondered whether "the other side may also be right on some points" even in Turkey's foreign relations. Even so, this author finds it very hard to see how a link can be established between the Montreux Convention and the arming of the Aegean islands. Because, as stated in its preamble, this convention is aimed at rearranging the terms of "transit through the Dardanelles Strait, the Marmara Sea and the Bosphorus Strait--collectively known as the straits--...within the framework of the security of Turkey and countries bordering the Black Sea" and therefore has no relation whatsoever to the Aegean. Apart from that, the convention does not contain a single clause about armament, and the arming of the straits is an issue that arises as a result of the acceptance of the convention because the convention dissolves the Straits Commission set up at Lausanne and invalidates the League of Nations guarantee given for the security of the straits. In other words, the Montreux Convention contains no clauses about armament, but invalidates previous provisions for disarmament. But this is with respect to the security of the straits and not in connection with the Aegean Sea.

Papandreou's efforts to rest the arming of the Aegean islands on legal grounds appear to be very much in vain. In reality, both Turkey and Greece have an interest in quickly ending this new cockfight which is the result of Greece's sly attempt to gain exclusive dominance over the Aegean. Greece must swallow the fact that the Aegean is not an exclusively Greek sea and that it is a jointly owned body of water between Turkey and Greece--just as it has to swallow the fact that Cyprus is not an exclusively Greek island, but an island jointly owned by both Greeks and Turks. As long as Greece is not inclined to accept these two realities the cockfight will continue between Turkey and Greece which must use their resources for economic development and cooperation instead of wasting them on efforts to gain dominance over each other in the Eastern Mediterranean.

[6 Dec 82 p 3]

[Text] The discord between Turkey and Greece has lately taken on dangerous overtones that pose a serious threat to the Western alliance. The press statement NATO Secretary General Joseph Luns made after the NATO defense ministers' meeting in Brussels last week reflected this fact. The fact that Luns felt the need to dwell upon Turkish-Greek disputes for the first time in a long time to say that these disputes are weakening NATO's southeastern flank cannot be interpreted in any other way.

The two most important reasons behind the tension between Turkey and Greece are the issues of Cyprus and the Aegean. Greece is inclined to see Cyprus as a Greek island and the Aegean as a Greek sea and wants Turkey to accept this view. Turkey, on the other hand, considers Cyprus an island where two communities, Turkish and Greek, live. Consequently, Turkey endorses the view that the island must be shared between the two communities both in terms of territory and sovereignty. Furthermore, Turkey believes that the Aegean is not a Greek territorial sea, that it is a body of water lying between Turkey and Greece and that, consequently, the status of its seabed, surface and airspace must be jointly determined by the two countries. Turkey has not given de jure recognition to a series of unilateral decisions Greece has taken on this issue.

Even if it sees Cyprus as a Greek island, Greece cannot disregard one important reality: No matter what Greece says, the Turkish army controls the northern one-third of the island, and, no matter how much clamor is raised, Turkey is not about to withdraw its forces from the island until the Turkish Cypriots are given a status which will guarantee their security and rights and which will not leave them at the mercy of the Greek Cypriots. Turkey and the Turkish Cypriots see this status as a "bicomunal and biregional" federation. To resolve the issue, intercommunal were started between the two communities under the auspices of the United Nations, but since Papandreou's ascent to power in Athens these talks have turned into a game to gain more time. The goal of the Athens and Nicosia leaders is to bring the issue to an international forum in order to win the support of the world public opinion and thus to pressure Turkey. That is an effort in vain. In reality, every day that is wasted without getting closer to a status acceptable to Turkey is further ossifying the divided status of Cyprus. In other words, in trying to win bigger stakes Papandreou is risking what he has on hand.

As for the issue of the Aegean, until Turkey woke up to claim its rights over this body of water the de facto situation in the Aegean was as much in favor of Greece as the one in Cyprus is in favor of Turkey. Now Turkey is trying to change that. But Papandreou must not forget that Turkey's means of changing the de facto situation in the Aegean are stronger than Greece's means to change the situation in Cyprus.

This is true not only from a perspective of strength. Although international treaties, one of the sources of international law, appear to support Greece, in the determination of continental shelf issues in particular, rules of "justice and equity," another source of international law, support Turkey's stance as shown by decisions taken by the International Court of Justice at the Hague on similar issues. Furthermore, Turkey also has the support of international treaties on the issue of airspace since these treaties base the limits of airspace on territorial water limits. The situation will be different if Greece raises its territorial water limits to 12 miles on the basis of the UN Law of the Sea Treaty which was not signed by some countries. Then Greece will have to risk armed conflict with Turkey in which case Greece would better take into consideration factors such as the sizes of the two countries, their populations, their skills and their moral strengths in addition to their military strengths. Greece has probably not forgotten the results of its last adventure in Anatolia on which it embarked relying on the superiority of its arms and outside support.

Consequently, Greece has nothing to gain by harassing Turkey in order to do the impossible; it must accept the realities and sit at the negotiating table. It would be more intelligent for Greece not to lose what it has by showing mutual understanding and making concessions than to risk conflict by an "all or nothing" approach. Furthermore, neither Greece nor Turkey can afford the luxury of perpetuating the tension between them, wasting their limited resources on arming against each other and irreversibly damaging their already shaky economies by going into war.

9588

CSO: 3554/80

PEACE MOVEMENT SEEN INFLUENCING DEFENSE CONCEPTS

Munich EUROPÄISCHE WEHRKUNDE in German Vol 31 No 9, Sep 82 pp 385-387

[Article by Hans Heinrich Winckler: "Plea for Strategy of Self-Confidence"]

[Text] Among the population a more and more sober assessment of the leadership role of the United States is gaining ground which makes it unthinkable that American political goals will be accepted unquestioningly in the future. In addition, the rapidly growing peace movement on both sides of the Atlantic is not only demanding that security policy drop its call for the introduction of new weapons of mass destruction but also that it find a way out the sterile automatism of mutually threatening gestures.

In view of the fact that this protest attitude is, if anything, still growing and is also beginning to make headway in Eastern Europe rigid persistence on the irreplaceability of two implacably opposed blocs would be tantamount to an admission that Europe's future can no longer be influenced but only endured. If German policy were based on this type of pusillanimity, the government would have to abandon all hope of engaging the reasonable elements in the peace movement in constructive dialogue. He who comes to the defense of idols will reap the twilight of the gods.

Deterrence Is Good Enough for the Allies, But Not for the Germans

In order to weigh the opportunities and dangers of a new all-European policy based on the crumbling foundations of Yalta, it is imperative to measure the need for security against the main goal of German policy which is to improve the state of the entire nation gradually. In view of the categorical imperative that the division of Europe cannot be tolerated indefinitely, security policy will only play an auxiliary role in the attainment of this goal. It is a necessary and altogether indispensable role—but it still is only a function and not an end in itself. It is a fundamental aspect of our foreign policy but not its total content. Security is important; but from the point of view of all-European interests it is not enough.

Despite the fact that they pay lip service to it, our central concern is not shared by the Western allies. The common denominator of NATO is the common security of the member nations—and no more. To be sure, there is a lot of sympathy in the West European countries for the East Europeans' right to

self-determination—but it comes down to compassion and not political interest. Western Europe has never experienced as much security as it has over the past 37 years. To Frenchmen and Dutchmen, tampering with the status quo would amount to exchanging a manageable situation for an uncertain future for no good reason at all. Our allies may possibly sit still for attempts to overcome the division of Europe—but to expect any kind of political commitment from them in this regard would be asking too much.

Up to now, it was customary in the FRG to discuss security only with a view to the interests of the alliance. If the idea of an all-European settlement of interests should come to the fore in due time, a West German strategy based on our own interests would become unavoidable even though it would of course have to be meshed with that of the alliance. The new strategy is overdue anyway, since NATO is suffering from financial emaciation. Even if the potential Soviet threat grew no more, FRG security might decrease in case the West European defense strength diminishes. For that reason, German policy cannot be content to stare as if mesmerized at the development of Soviet strategy and Soviet forces but must—while this is going on—make provisions to counter the threat that the foundations of its own defense are undermined by the loss of strength on NATO's part. The concrete threat would be that East-West disengagement policies would lead to a unilateral cut in Western defense strength as the highly emotional debate on Euro-strategic modernization lays the groundwork for concessions by the West in the conventional forces sector at the same time.

Waiting for an Asymmetrical Miracle ?

Another point to be considered is that the Soviet view of the West's initial demands for balanced troop reductions is that they are excessive and that there is, as a consequence, little hope of reaching an agreement with the Kremlin in this matter. In view of the adverse geographical position in Europe as well as the imbalance in conventional forces the Western general staffs are insisting on asymmetrical troop reductions—in other words on the Soviets cutting their forces more than NATO. Although there are plenty of economic indicators pointing to a Soviet interest to reduce arms expenditures in Europe, there are no discernible reasons that might force the Soviets to cut their forces more than NATO. In awareness of the West European peace movement which is prepared to accept any Soviet gesture at detente as sufficient grounds for reducing security efforts, the Kremlin is virtually honor bound to drag its feet in the MBFR negotiations and to bank on unilateral disarmament euphoria in Western Europe.

West German defense policy has recognized these dangers for some time but has seen no other recourse than to play for time. By making offset payments and playing a leading role in bearing the costs of NATO, Bonn has been doing its best to guarantee the continued stationing of U.S. troops in Europe. This has been based on the assumption that it might be possible to delay the withdrawal of the Americans and the collapse of West European defense morale long enough until MBFR had been crowned with success.

Things could go on in this manner, if there were a justified hope that emotions in Western Europe will cool off and public opinion will have gotten used to the idea of the deployment of American medium-range missiles in the mid-eighties. But it would be foolhardy to base one's speculations on such eventualities. It is quite conceivable that the difference of interests between the world power United States and the FRG will become more pronounced in the years to come; that there will be a mutual cooling-off of public opinion and that isolationist tendencies will come to the fore in the Congress once again as a result. At any rate, the danger of the U.S. 7th Army leaving Europe some day is greater than the danger of the Soviets attacking. If it is correct to say that we must continue to prepare for the eventuality of Soviets pressures or attacks, there is all the more reason for us to prepare for a time when American troops will not be available in Europe at their old strength levels any longer. It would be wise to use the time until the mid-eighties to develop a new-quality security posture that can make do, if need be, with lesser American presence.

Lost without the Seventh Army ?

Now that really is a heretical idea. Official policy says that West German security would be at an end, if the Americans reduced their presence in Europe before the MBFR negotiations have reached a successful conclusion. But is that really true ? We Germans have forgotten that American units are stationed in Stuttgart and Heidelberg as a result of an accident of history. If the Western powers had not decided on a military occupation of the Reich and had instead agreed to an armistice as in 1918, there would be no U.S. divisions on the soil of the FRG today. Our security would not be viewed any differently than that of the endangered nations on the NATO flanks. Despite our location at the center of a potential frontline between East and West, there would be no justification in saying that the FRG faces more of a threat than northern Norway, Bornholm or the area around the Bosphorus all of which in fact make do without an immediate American troop presence. The official attempt to characterize the presence of the 7th U.S. Army in southern Germany as indispensable thus turns out to be nothing but a kind of justification ideology which has suggested to public opinion that Bonn—as distinct from Oslo, Copenhagen or Ankara—cannot survive without the stationing of Allied troops inside the country.

This world of illusion is beginning to fall apart now. The astounding proposal by Bundy, Kennan, McNamara and Smith to renounce first use of nuclear weapons in Europe has proved once again that the FRG must find an answer to the question of what is to happen in case of an armed conflict, if conventional strength is exhausted at the end of 72 hours. At the same time, U.S. Defense Secretary Weinberger told the Senate foreign relations committee that the United States stand ready to transfer troops from Europe to other areas of the world, if the need arises. This means it is high time for the FRG to wake up from its slumber as a holder of an Atlantic insurance policy. Whatever one might think of the specific proposals developed by Afheldt and Loeser on area defense close to the border, the idea of broadening the conventional potential of the Bundeswehr by providing for reserve units and efficient mobilization offers a lot of possibilities for taking advantage

of personnel and material resources presently not being tapped so as to permit the country to stand on its own feet to a greater extent in the future.

The critics of alternative defense concepts do not deny that the physical strength of the FRG would be sufficient to create more conventional protection. The defense ministry's misgiving with regard to the new ideas are based on the altogether realistic recognition that the Bundeswehr is at present protecting a republic sans republicans and that there is not enough of a commitment to defense among the population. Thus, any proposal based on the example of the Scandinavian, the Yugoslav or Swiss militia is put down by pointing out resignedly that the average German citizen does not dispose of the psychological stability necessary to render service to a modern-style "levée en masse." The Germans, it is said, can still remember the French Revolution as providing them with their civil liberties but not with the commitment to defend them.

More Composure

This analysis is correct as far as it goes but this is not to say that the state should accept it as is—the more so, since it is a disservice to the young generation to be accused of a lack of good citizenship in its entirety. There is a large number of reservists who are ready to serve and upon whom the armed forces can count, if they assign a convincing role to them. But it may be even more important to consider the fact that the peace movement is not only coming out against the arms race but that for the first time since the war there is a certain composure vis-a-vis the potential Soviet threat which is in welcome contrast to the creeping anxiety of many a supposedly "solid citizen." We have all heard people talking in the pubs, engaging in conversations that conclude with the defeatist statement: "If the Russians ever start moving, they will get to the Rhine within 48 hours."

An interesting ambivalence, on the other hand, can be noted in young people's criticism of the present security policy. They don't want to serve in the military and at the same time they display a kind of psychological robustness that remains unimpressed by 40,000 or 60,000 enemy tanks. As dangerous as this indifference is in that it underestimates real dangers, it does offer an opportunity to convincing security concepts which would appeal to citizens who might well remain impassive in the face of Soviet attempts at blackmail at some future date. Since the nuclear stalemate quite obviously paralyzes both superpowers, young Germans are hardly likely to take threatening gestures seriously. It is all too obvious that the two superpowers have good reasons for not engaging in aggressive policies which pose the risk of unleashing the uncontrollable specter of war. Only he who is afraid can be blackmailed; and there are fewer and fewer young Germans who are afraid—as distinct from the older generation in whose dreams the T 34's still come rumbling over the foxholes.

If this trend toward a more stable psychic state continues in Germany, the government will be able to work out a strategy of its own within the framework of the alliance which will create the elbow room needed to pursue the MBFR negotiations by setting up a sophisticated mobilization system and will permit the more realistic elements in the peace movement to help support this new policy as a contribution to constructive ways of safeguarding peace. At any rate, such a new structure could no longer be attacked domestically by arguing that military strategy enhances confrontation and that the potential threat posed by both sides is a danger to peace in Europe. Militia units that supplement the regular army are a threat to no one—even committed peace movements activists are aware of that.

More Secure than the Finnmark ?

Are we then arguing for reduced security for the purpose of pacifying the protest movement ? No, we are talking about adequate security in order to convince the majority of young people of the meaningfulness of their serving in the military. And we are talking about adequacy in the sense of not even having to put up with the fragile kind of protection afforded to the citizens of Hammerfest or Narvik who live in the immediate vicinity of the overwhelming Soviet offensive capability based on the Kola Peninsula and can merely hope that the NATO fire brigade will come to their aid in time. Even less are we in the same boat as the fishermen of Bornholm who keep their cool in the face of the realization that they have no protection against Soviet attack in the final analysis. At this stage—40 years after Stalingrad—we Germans ought to regain the kind of psychic normalcy that keeps us from conducting foreign policy on the basis of fear alone and from building a protective wall around ourselves at the expense of the future—however mindful we may be of our position of relative weakness. How will we ever break out of the encirclement of fear, if we insist on de luxe security such as no other European neighbor of ours demands ?

It would be a sad state of affairs indeed if the FRG permitted either the Americans or the peace demonstrators to dictate its course of action. The state has an obligation to provide spiritual leadership. It is up to the state to make demands on its citizens and to promote awareness of the fact that the FRG—based on its history, its constitution, its geopolitical location and its economic strength—has a task to fulfill that no one else will do for her. Germany has permitted the superpowers to meet along the Elbe where they stand facing each other, bristling with arms. It is up to Germany—through efforts of its own—to wrest away from them the pretext that European security is not possible in the absence of their remaining on German soil. If we Germans do not bestir ourselves, things will not get moving in Europe. The serious elements in the peace movement have come to this realization. Anyone wishing to influence their thoughts and actions will have to come to them with a concept that goes beyond the pathology of the policy of mutual threats while not losing itself in utopian visions of unilateral disarmament. If this does not happen, we will dispose of an Atlantic strategy but not of German soldiers.

PAPER DISCUSSES SORSA STAND ON SECURITY POLICY

Helsinki HELSINGIN SANOMAT in Finnish 17 Dec 82 p 2

[Editorial: "Prime Minister Is Really Reading the Military Map"]

[Text] Prime Minister Kalevi Sorsa has celebrated commencement exercises for the 86th Armed Forces Study Program in an exceptional way by explaining his view of defense policy to the participants in a detailed and extensive manner. This act does credit to both the government and the head of the government's party.

The prime minister has on his own carefully followed world developments, discussions on defense policy, nuclear weapon strategies and internal relations within the Western alliance engaged in in alliance circles, among others. Clearly expressed, his conclusions may be read in the transcript of the speech in question.

In Sorsa's opinion, during the past few years world developments, which have been marked by a considerable cooling of plans for detente, give us no reason for changing our appraisals of them, which are the basis for our foreign and security policies and are included in the Second Parliamentary Defense Committee report, among others.

In other words, the focal point of our security policy is still in our foreign policy, the goal of which is to further the country's national interests, strengthen Finland's international position and promote the serious development of peace. Constant review of this is justified.

But in connection with this, we have to bear in mind that speeches must be backed by a certain amount of credibility. Thus our security policy must automatically be shifted to another mainstay sector, military national defense. On the basis of our agreements, an adequate military defense capability is required of Finland.

The prime minister spoke straight from the shoulder in a way that leaves no room for interpretation: "We are not about to call for preparations for war, but the maintenance of our defense capability at a proper level is a matter of common interest." The outlook is in line with attitudes toward national defense that have favorably evolved among our citizens.

The military are certainly with satisfaction taking note of the prime minister's remark that the armed forces cannot be improved in an economic vacuum any more than they can in a military vacuum. Nevertheless, that branch of the administration will also be forced to adapt to the strait jacket of meager means of defense.

The prime minister has recently been able to commendably stay beyond the reach of the ordinary problems of day-to-day policy and taken a stand only on larger-scale issues. The speech he gave in front of national defense maps is a good example of this.

With regard to his favorable attitude toward defense policy, to be on the safe side Prime Minister Sorsa in his speech also brought up for consideration the need for setting up a fourth parliamentary defense committee. Its mission would be to mark out the main lines of the objectives to be developed in 1987-1991.

In the final analysis, the speech Sorsa made on Wednesday probably gives us reason to predict that the Social Democratic Party as a whole will in future be ready to wipe from its coat of arms the traces of its defense policy vacillations at the party congress in Pori. Realism has its own value in the defense policy sector too.

11,466
CSO: 3617/44

THOMSON DIVISION CONDUCTS R & D FOR MILITARY APPLICATIONS

Paris ELECTRONIQUE ACTUALITES in French 12 Nov 82 p 16

[Article by JPDM: "DCH Counts On Professional Applications of Hybrid Circuits"]

[Text] Thomson-CSF's Hybrid Circuits Division (DCH) foresees a decrease in its orders from the telecommunications sector in 1985-1986. Consequently it is now centering its research and capital investments mainly on hybrid circuits for "professional"--i.e. military and avionics--applications, a field in which there is obviously a great demand for sophisticated circuits at the present time.

Sometime in 1983, DCH is going to establish a production line for power circuits having an insulating base with a thermal resistance of better than 1°C/W. This does not mean that the division is thereby neglecting the industrial sector. In fact, it is simultaneously establishing a production line for heat-printed conductive strips. This facility is expected to fabricate 5,000 units before the end of 1983.

DCH appears to have regained its dynamism after experiencing a bad year in 1980 and then changing two-thirds of its management team in 1981. The division's volume of business had dropped from 78.9 million francs in 1979 to 65.5 million francs in 1980. It recovered in 1981 when turnover rose to 122.9 million francs. Company officials say the division's turnover will probably be 150 million francs this year and an estimated 180 million francs in 1983.

While one of its tasks is still to support other divisions of the Thomson-CSF industrial group, for its expansion DCH is counting primarily on markets outside the group. It looks for an annual increase of 30 to 50 percent in such sales (export trade included), whereas it expects demand from within the group to rise some 15 to 20 percent per year. In 1982, its volume of business outside the group will be 18 million francs (plus 1 million francs in export sales). This out-of-group turnover was 14.6 million francs in 1981 and 20 million francs in 1980. In 1983, the division hopes to do 28 million francs of business outside the group plus 2 million francs in exports.

DCH is investing large sums in support of this expansion program: 15 million francs in 1982 (5 million for buildings and 10 million for equipment), and 8 to 12 million francs in 1983, exclusively for equipment. At the same time, its research and development budget--prototypes, new technologies, improved manufacturing methods--will increase from 21 million francs in 1982--3 to 4 million francs solely for research contracts--to 28 million in 1983. Nevertheless, the division is still a balanced operation, with the Thomson group acting as an investment bank.

With its 400 employees, DCH currently fabricates 300,000 to 400,000 hybrid circuits per month, 2,000 to 5,000 of which are for professional applications.

The open market for hybrid circuits in France will amount to 150-200 million francs in 1983, while the overall market, captive market included, was about 1 billion francs in 1982.

The breakdown of DCH's 150-million franc turnover in 1982 is as follows: 60 percent for telephone applications, 30 percent for professional applications, and 10 percent for robotics and electromechanical applications.

DCH's expansion effort can be measured by the number of employees assigned to different tasks. Of the 60 persons in its research and development department, 6 work on design and computerization, 7 on industrial prototypes, 14 on professional prototypes, 6 on development of power circuits, 10 on heat-printing by thick films, 11 on connection technology and encapsulation, and lastly 3 on thin-film technology. Computerization research covers computer-aided design, testing, and trouble-shooting. Encapsulation research is centered on circuits handling up to 200 inputs-outputs.

Because of the impedance problems encountered in interconnection systems and heat discharge systems, DCH is studying high-density interconnection systems with decoupling and good thermal conductivity. It is also doing research on electrical and thermal connections for printed-circuit boards. This research is focused particularly on photolithography of serigraphed deposits (up to "steps" of 50 to 100 microns), decoupling circuits embedded in the bases of chip carriers, and substrates of large surfaces. Power-circuit research centers upon the layers of materials deposited on beryllium oxide and on soldered joints. Yet the main problem at the present time is industrialization of a product line of power circuits; the goal is to develop preproduction models by 1983 and regular production models by 1984.

For the heat-printed heads, DCH is working on photolithography (thin-film or thick-film) and laser etching that could make it possible to move on to definitions of 8 to 12 points per millimeter. For encapsulation, DCH is developing a plastic 24-pin microsheat with 1.27-millimeter "steps," and capable of withstanding temperatures ranging from -40°C to +85°C.

As regards quality improvement, DCH funding for research and for analysis equipment reportedly totaled 350 million francs in 1981, 650 million in 1982, and a projected 1.1 billion francs in 1983.

It should be noted that DCH currently handles all thick-film (up to five layers) and thin-film (nickel-chromium and tantalum nitride) product lines, with the exception of hyperfrequency microwave products that are handled in other Thomson-CSF divisions.

8041

CSO: 3519/176

SFENA DEVELOPS DATA ACQUISITION UNIT FOR NAVY

Paris ELECTRONIQUE ACTUALITES in French 26 Nov 82 p 14

[Article: "SFENA Shipborne Data Acquisition System"]

[Text] Under a French Navy contract, SFENA [French Air Navigation Equipment Company] has developed a shipborne data acquisition system (SADE). Consisting of two watertight boxes--a sensors box and a processing-recording box--SADE performs the following functions: measures attitude, angular rates and accelerations by means of a three-axis transducer unit; processes these data plus information acquired from other shipborne sources and records them on magnetic tape; reads the tape for automatic data analysis or reduction. SADE offers 27 differential channels, seven of which can be synchronized with a measurement-range accuracy of 0.1 percent and a resolution of 100 microvolts at 5 millivolts. Maximum measurement range is ± 10 volts with direct current and 11.8 volts or 90 effective volts with alternating current. The nature, gain, and number of channels are programmable. Also available are 12 parallel logical inputs and two counting inputs.

Messages are in IRIG format with dating and gain (for automatic analysis or reduction) on ANSI [American National Standards Institute] cassettes or $\frac{1}{4}$ inch magnetic tape (1 to 16 hours per track).

This Data Acquisition System is currently being used in the trials of the attack submarine "Rubis." It is being offered for all shipborne applications, including the following: monitoring performances, locating boundary conditions, defining mathematical models, studying dynamic behavior and movement of the center of gravity.

8041

CS0: 3519/176

SINTRAL ALCATEL DEVELOPS SUBMARINE EQUIPMENT

Paris ELECTRONIQUE ACTUALITES in French 26 Nov 82 p 14

[Article by GB: "Sintra Alcatel: From Electronics to Marine Engineering"]

[Text] Ever since CIT Alcatel has transferred responsibility for underwater detection projects to Sintra Alcatel, the latter appears to be on its way to becoming the pivotal firm for military projects within the CGE [General Electric Company] industrial group. And the largest percentage of those projects are naval. Sintra's DSM [Underwater Detection Department] has 1,100 of the firm's 3,600 employees and is handling one-third of the firm's orders (valued at nearly 2 billion francs). DSM is no longer simply a specialist in underwater electronics but wants to assume an all-inclusive engineering role in the naval field.

DSM Accounts for Half of Sintra's Export Sales

It is not easy to gauge the volume of Sintra's naval work. The usual circumspection surrounding--no pun intended--submarine activities, coupled with a certain reserve on management's part, has kept Sintra's naval projects rather cloaked in mystery.

Sintra somewhat reluctantly decided, however, to use a public stock offering and the latest Naval Exposition at Le Bourget as occasions for releasing a number of details on its naval work. As a result, we now know that its Underwater Detection Department's volume of business in 1981 was 170 million francs, or one-fifth of Sintra's total turnover (822 million francs). In 1982, this same department's volume of business will substantially top the 200-million mark and its share of Sintra's total turnover (probably 1 billion francs) will continue to increase. Underwater detection projects already account for more than a third of the company's orders on hand--nearly 2 billion francs by year's end--and already represents about half of all export sales.

It must be emphasized, however, that DMS is not the only Sintra department working on naval projects. Also involved are the SMTV (Military Processing and Display Systems) and TELCI (Telecommunications and Industrial Control) departments, plus the DME (Microelectronics Department). We can state, without any great risk of being mistaken, that navy-related activities now lead all others at Sintra Alcatel.

Support From Other CGE Subsidiaries

In fact, while Sintra has inherited practically the largest military activities within the CGE group (DSM and DME were transferred to Sintra from CIT-Alcatel), it is quite apparent that this firm is the pivot, at least for military projects, of all naval-type work within the group. As part of CGE, Sintra has access to favorable support, to say the least, from the following other CGE firms: ACB (Shops and Dockyards of Brittany) for shipbuilding; Soro and Cilas for electro-optics; CIT-Alcatel for certain items of telecommunications equipment and especially for such mechanical products as torpedo tubes manufactured in Annecy; CGA Alcatel for automatic ship control systems; not to mention those CGE subsidiaries involved in the oil-drilling platform industry (DORIS [Operational Development of Undersea Resources]).

The Underwater Detection Department (DMS) also has its own subsidiaries, so to speak, with Pons and Company in Aubagne, a firm specializing in piezoelectric technology and ultrasonic antennas, and with SMAC (Mediterranean Company for Applications of Rubber), a firm specializing in acoustic materials such as coatings for antennas.

Although it is obviously still an electronics firm, Sintra sees itself destined to gradually assume a major engineering role within the CGE industrial group because definition of electronic equipment for detection, data processing, and fire control systems is now the key to ship construction. This role is really not a new one for Sintra, but the firm now wants to expand it to include development and production of turnkey systems, and even participation in the actual designing of the ship. This is to some extent what is currently happening with development of the antisubmarine warfare corvette "Silure" being built in collaboration with ACB, or with the conventional "Agosta"-class patrol submarine being built by Dubigeon-Normandie. Sintra is prime contractor for the latter submarine's complete weapon system.

Sintra has made a serious effort to design a broad product line of sonars plus processing and display systems suitable for all classes of surface ships and submarines. In this connection, the Underwater Detection Department (DSM) has developed a special-purpose signal-processing computer, the PPS. This high-speed processor has a capacity of 4.5 million operations and can handle 16 or 32 megabits.

The French Navy recently awarded Sintra a contract for development and production of the next-generation very-low-frequency passive sonars for surface ships and submarines. The DSM has also begun regular production of the HS-12 active-passive panoramic sonar that will be mounted in the antisubmarine warfare version of the Dauphin helicopter.

For submarines, Sintra has developed the new DUUX-5 family of passive sonars, the first such device to measure range by picking up repeated sonar transmissions.

An improved version of this sonar is incorporated in the UX 37 integrated weapon system which utilizes three new three-color SMV [modular display system] consoles integrating all inputs from sensors, whether accoustical, electro-optical, or electromagnetic. This system handles weapon control functions for all weapon systems including "medium-changing" [e.g. from underwater to air] missiles such as the SM-39 [submarine-launched Exocet].

Although military contracts make up almost all of the DSM workload, it must be noted that Sintra is also participating in the development of dynamic anchoring systems for offshore [seabed operations] vessels of the Pelican class, four of which were recently commissioned. Under development is a new system permitting ships operating in deep waters--3,000 meters--to be immobilized by dynamic positioning. The DSM has also developed the acoustic tracking and control system for an unmanned submersible capable of diving to 6,000 meters.

8041

CSO: 3519/176

DETAILS PROVIDED ON CYPRUS MILITARY MANEUVERS

Nicosia EIKONES in Greek No 108, 4-17 Dec 82 pp 24-25

/Text/ The fact that the Turkish Cypriots have been equipped with West German "Heckler and Koch" machine guns has caused quite a stir. These machine guns are equipped with either belts or round cartridge holders. They can be used with NATO 7.62 mm cartridges or Soviet 7.62 x 39 mm cartridges. This type of weapon enjoys many advantages as far as training for its employment is concerned, while its basic parts are interchangeable with the G3 rifle.

It appears that the Turkish Cypriots became concerned over the success of the National Guard "Nikiforos-82" maneuvers that were held on 1-4 November. This is why they hastened to hold their own military maneuvers with the participation of the TOURDYK /Turkish Forces in Cyprus/ support forces.

As the Turkish Cypriots announced, the purpose of the maneuvers was to test the capabilities of the units. Taking part in the maneuvers were an infantry battalion, one artillery battalion, one tank unit, one special commando unit, one "trouble" unit of the psychological warfare section, one Cessna aircraft, three helicopters and two F-100 aircraft.

The maneuvers began on Friday, 19 November, at the "Headquarters" with the participation of the three services.

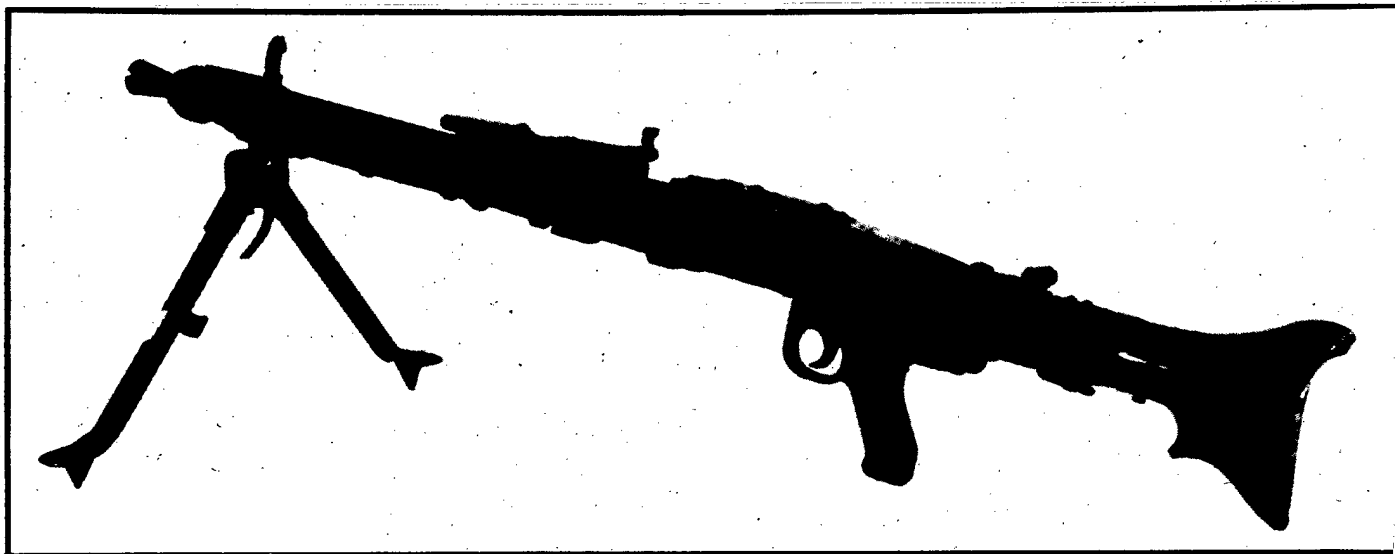
Denktas and other Turkish Cypriot leaders witness the maneuvers. Lieutenant General Yazgan, commander of the occupation forces, declared that combined maneuvers are very difficult. Nevertheless, he added, "The Turkish peacekeeping force" successfully carried out, together with Turkish Cypriots 8 years ago, such an undertaking. He said, "You saw only one part of what the Turkish armed forces can carry out with you."

Especially noteworthy is the fact that taking part in the maneuvers was a "trouble" unit of the "psychological warfare section." It does not appear, however, that it succeeded in its mission since we were not troubled by the maneuvers nor was anyone startled by their having taken place.

The Turks maintain that their military maneuvers ended "with very great success." The Turkish Cypriot newspapers write that all those who witnessed the maneuvers were very much impressed by the strength, courage and harmony of the "mehmetciiks" /soldiers/. Of course, we have bitter experience about the "harmony" of Attila's soldiers --the "harmony" of brutality and barbarity.

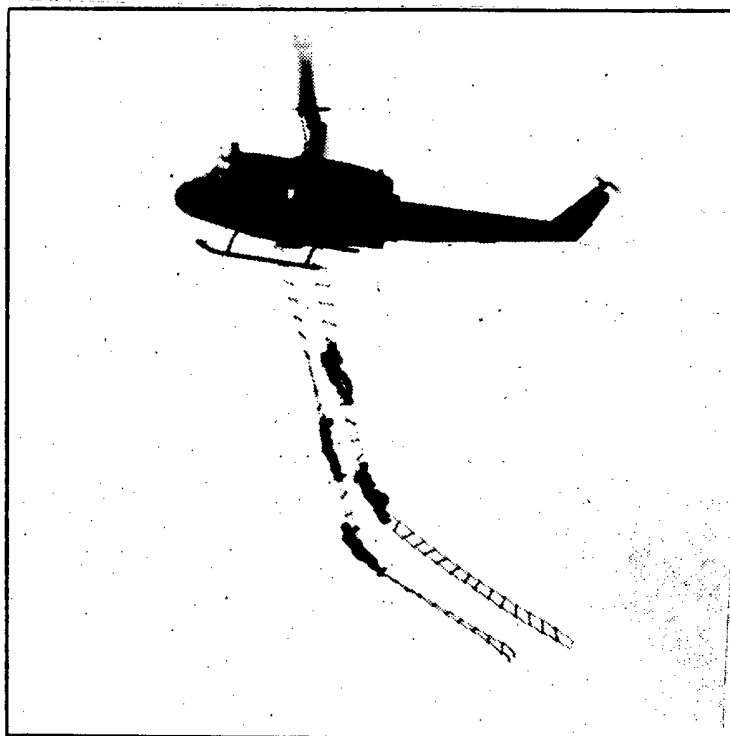


Turkish Cypriot "soldier" with the new machine gun "in his hands"



The West German "Hechkler and Koch" machine gun with which the Turks have been equipped

Uncaptioned photographs:



5671
CSO: 3521/114

END

155